

DRC 2015-16/12

DISPUTE RESOLUTION COMMITTEE

- Proceedings of erroneous deal in 08.00 TN SDL 2025
on
22nd Jan 2016

**FIXED INCOME MONEY MARKET AND DERIVATIVES
ASSOCIATION OF INDIA**

(Prepared by Rohan Sawant)



Procedure followed for settlement of off market trade in 08.00 TN SDL 2025 on NDS-OM dated 22nd January, 2016.

The details of actions taken for settlement are as under:

- On 22nd Jan, 2016 FIMMDA was informed by the seller followed by buyer telephonically and subsequently via mail about an erroneous trade in 8.00 Tamil Nadu SDL 2025 at 10:02:19 hrs. The valuation price of FIMMDA for the above security as on 21 Jan, 2016 was Rs.100.6992/7.8930%. The seller, a private bank wrongly put an offer to sell the above security for Rs.5 Cr at Rs.8.2200/95.5874% which was hit by the buyer, a co-operative urban bank.
- As per code of conduct RBI was approached to confirm the counterparties.
- When RBI disclosed the names of the counterparties, it was noticed that the counter parties were same.
- Both the parties were allowed to reverse the trade.
- Accordingly, on the same trading day i.e. 22nd Jan 2016 the deal was reversed and reported on NDS - OM Reporting Deal Section.
- The off-market trade was thus reversed. The loss/gain reserved is Rs.45,152,274/-
- The reversal was informed to RBI and DRC members as per code of conduct.

