

DRC 2018-19/11

**DISPUTE RESOLUTION COMMITTEE**

- Proceedings of erroneous deal in 07.17 GS 2018  
on  
28<sup>th</sup> Sep 2018

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

(Prepared by Rohan Sawant)



FIMMDA: Dispute Resolution Committee

Procedure followed for settlement of off market trades in 07.17 GS 2018 on NDS-OM Odd lot dated 28<sup>th</sup> Sep 2018

The details of actions taken for settlement are as under:

- On 28<sup>th</sup> Sep, 2018 FIMMDA was informed of the erroneous deal by the buyer and the seller (Co-operative bank and public sector bank) telephonically and subsequently via mail. The buyer bought 07.17 GS 2028 at price of 99.33/7.2682 for Rs. 1.05 Cr at 16:10:27 hrs. which was claimed to be out of market.
- The captioned security was trading in between the range of Rs.94.30 and Rs.94.55. The last traded price and yield as on 28<sup>th</sup> Sep 2018 was Rs.94.47/8.0244.
- The seller also agreed in his mail to FIMMDA that it was an erroneous deal. The time and transaction number of the erroneous trade reported by seller and buyer were matched.
- The matter was referred to 14 DRC members, the quorum being 6. Seven members agreed that the deal was erroneous and may be reversed. Nobody gave contrary decision.
- As per Code of Conduct (DRC) point 15. (e), since buyer and seller approached FIMMDA and DRC members agreed that the deal was erroneous and to be reversed, both the parties were advised to reverse the trade.
- Accordingly, on 3<sup>rd</sup> October 2018 the trade was reversed and reported on NDS - OM odd lot reporting segment.
- The off-market trade was thus reversed. The loss/gain reversed is Rs.5,22,900/-
- The reversal was informed to RBI and DRC members.