

DRC 2019-20/01

DISPUTE RESOLUTION COMMITTEE

- Proceedings of erroneous deal in 08.24 GS 2027
On
13th May 2019



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

(Prepared by Ramandeep Kaur)

Procedure followed for settlement of off market trade in 08.24 GS 2027 on NDS-OM dated 13th May 2019

The details of actions taken for settlement are as under:

- On 13th May 2019 two Market Participants identified erroneous deals done in the captioned security at price of Rs.103.0325/7.7.97 for Rs.5 Cr each at 11:22:17 and 11:22:23 hrs. which were apparently Off Market trades.
- Preceding trade took place at price Rs.103.95/7.5542 at 11:21:44 hrs. Succeeding trade took place at price Rs.103.91/7.5610 at 12:20:37 hrs.
- The matter was referred to 14 DRC members, the quorum being 6. Six members agreed that the deal was erroneous and may be reversed. Nobody gave contrary decision.
- As per code of conduct, RBI was approached to know the counterparties.
- RBI disclosed the name of the counterparties as a Foreign Bank (Buyer) and Mutual Fund (Seller).
- Both the parties were advised to reverse the trade.
- Accordingly, on 24th May 2019 day the trade was reversed and reported on NDS - OM Reporting Deal Section.
- The loss/gain reversed is Rs.8,77,500/-
- The reversal was informed to RBI and DRC members.