

DRC 2019-20/11

**DISPUTE RESOLUTION COMMITTEE**

- Proceedings of erroneous deal in 07.95 GS 2032  
On  
09<sup>th</sup> Aug 2019



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

(Prepared by Ramandeep Kaur)



FIMMDA: Dispute Resolution Committee

Procedure followed for settlement of off market trade in 07.95 GS 2032 on NDS-OM dated 09<sup>th</sup> Aug 2019

The details of actions taken for settlement are as under:

- On 09<sup>th</sup> Aug 2019 FIMMDA was informed of erroneous deal by the seller (ICICI Bank) via mail. The seller sold 07.95 GS 2032 at Rs. 109.15/6.8756% for total Rs.35 Cr which was claimed to be out of market.
- Preceding trade took place Rs. 110.25/6.7547%.
- The matter was referred to 14 DRC members, the quorum being 6. Eight 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 counterparty.
- RBI disclosed the name of the counterparties as a Foreign Bank and Mutual Fund Institution.
- All the parties were advised to reverse the trade.
- Accordingly, on 14<sup>th</sup> Aug 2019, the trades were reversed
- The loss/gain reversed is Rs. 38,50,000/-
- The reversal was informed to RBI and DRC members.

