DRC 2020-21/14

**DISPUTE RESOLUTION COMMITTEE**

* Proceedings of erroneous deal in **06.45 GS 2029**

on

**17th Sep 2020**

**Approved**

**D.V.S.S.V.Prasad**

**CEO**

# FIXED INCOME MONEY MARKET AND DERIVATIVES ASSOCIATION OF INDIA

(Prepared by Ramandeep Kaur)

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# Procedure followed for settlement of off market trades in 6.45 GS 2029 on NDS-OM dated 17th Sep 2020

The details of actions taken for settlement are as under:

* On 17th Sep, 2020 FIMMDA was informed of erroneous deal by the buyer (Private Bank) telephonically and subsequently via mail. The buyer bought 6.45 GS 2029 at 10:04:08 hrs. for Rs.103.0375/6.0094% for total of Rs.5 Cr which was claimed to be Off Market trade.
* Disputed trade is the second trade in the Captioned Security. Preceding trade took place at Rs.102.33/6.1104% (Reporting party is the buyer to the trade). Succeeding trade took place at Rs.102.30/6.1147%
* The matter was referred to 14 DRC members, the quorum being 6. Nine members agreed that the deal was erroneous and may be reversed. Nobody gave contrary decision.
* As per DRC rules, RBI was approached to know the counterparty.
* RBI disclosed the name of the counterparties as a Foreign Bank.
* Both the parties were advised to reverse the trade.
* Accordingly, on 18th Sep 2020, the trade was reversed and reported on NDS – OM Reporting Deal Section.
* The off-market trade was thus reversed. The loss/gain reversed is Rs.3,53,750
* The reversal was informed to RBI and DRC members.