DRC 2020-21/02

**DISPUTE RESOLUTION COMMITTEE**

* Proceedings of erroneous deal in **182 DTB 09072020**

on

 **27th Apr 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 182 DTB 09072020 on NDS-OM dated 27th Apr 2020

The details of actions taken for settlement are as under:

* On 27th Apr, 2020 FIMMDA was informed of erroneous deals by the seller (Mutual Fund Company) telephonically and subsequently via mail. The seller sold 182 DTB 09072020 at 13:00:53 hrs. for Rs.99.1201/4.5000%. For Rs.50 Cr which is claimed to be Off Market trade.
* Disputed trade is the Last trade in the Captioned Security. Preceding trade took place at Rs. 99.3241/3.4500%
* 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 DRC rules, RBI was approached to know the counterparty.
* RBI disclosed the name of the counterparties as a Small Finance bank.
* Both the parties were advised to reverse the trade.
* Accordingly, on 29th Apr 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.10,00,000
* The reversal was informed to RBI and DRC members.

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