

FIMCIR/2025-26/16

August 18, 2025

TO ALL MEMBERS AND STAKEHOLDERS,

FIMMDA Handbook of Market Practices-2016 -Para 4.9 – Written Confirmations

We refer to the provisions of Para 31 (a) (iii) of Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023- Dated September 12, 2023, which is reproduced below:

Para 31 (a) (iii) Deal slips shall be prepared for every transaction entered into. Deal slips shall be serially numbered, properly accounted for and shall contain all the details of the deal such as name of the counterparty, details of security, category (i.e. HTM, AFS, FVTPL or HFT) in which it shall be held, amount, price, contract date and time, confirmation mode to the counterparty, whether it is a direct deal or through a broker, and if through a broker, name of the broker, etc. Back-office shall monitor timely receipt of confirmation from the counterparty.

2. Keeping in view the RBI provisions above, a review of the relevant provisions of Handbook of Market Practices- 2016, was undertaken. It is observed that extant RBI guidelines i) do not stipulate *written* confirmations ii) provide that deal slips must indicate confirmation mode to the counterparty and iii) the respective back-offices must monitor timely receipt of confirmation from the counterparty.
3. Accordingly, para 4.9.2 of FIMMDA Handbook of Market Practices – 2016 is amended as below: Para 4.9.2- “In respect of all other deals, confirmation of each deal must be sent out at the earliest and a confirmation should be received from the counterparty.”
4. Members and Stakeholders are advised to note above revision in para 4.9.2 in respect of exchange of confirmation.
5. Members and Stakeholders are also advised to note that a detailed list of categories of trades where exchange of confirmations is waived is provided vide para 4.9.1 of the Handbook of Market Practices-2016.
6. There is no change in other provisions of para 4.9 of the Handbook of Market Practices-2016.

These directions come into effect from the date of the Circular.

Yours faithfully,

Sd/-

G. Ravindranath
Chief Executive Officer