

## What is LEI?

LEI code is a 20-digit unique code to identify parties to financial transactions worldwide to improve the quality and accuracy of financial data systems for better risk management post the Global Financial Crisis

## Who is required to take LEI?

Non-individual or corporate borrowers enjoying aggregate exposure of ₹5 crore and above from banks and financial institutions (FIs) shall be required to obtain LEI codes. However, Departments/Agencies of Central and State Governments (not PSUs registered under Companies Act or established as Corporation under the relevant statute) are exempted.

## Timeline for obtaining LEI by borrowers

Total Exposure	On or before
Above ₹25 crore	April 30, 2023
Above ₹10 crore, up to ₹25 crore	April 30, 2024
₹5 crore and above, up to ₹10 crore	April 30, 2025

## Who will issue the LEI?

An authorized Local Operating Unit (LOU)- like Legal Entity Identifier India Ltd (LEIIL)

## Compliance to be ensured by whom?

### Existing:

1. All Scheduled Commercial Banks (Excluding Regional Rural Banks),
2. All India Financial Institutions (Exim Bank, SIDBI, NHB, NABARD)
3. Local Area Banks, Small Finance Banks

### New insertion:

4. Primary (Urban) Co-operative Banks (UCBs)
5. Non-Banking Financial Companies (NBFCs)

## What compliances are to be ensured?

- ✓ No renewal / enhancement of credit facilities without LEI
- ✓ Capture the LEI in CRILC reporting
- ✓ Ensure renewal of the LEI codes as per Global Legal Entity Identifier Foundation guidelines

## Consequences of Non-Compliance

Borrowers who do not obtain LEI as per the schedule are not to be granted renewal / enhancement of credit facilities