

# **Legal Entity Identifier India Limited**

*Accredited by GLEIF*

## **Frequently Asked Questions**



**June 2024**



---

## **INDEX**

Introduction about Legal Entity Identifier (LEI)	4
LEI Code Mandates in India	5
General Questions	9
LEI Registration Process	13
LEI Renewal	15
International Branch	15
Relationship Record	16
Conformity Flag	20
Transfer of Relationship Record	21
Parent/Child Entity Merged/Retired or Change of Control	21
LEI Statuses	22
LEI – Other Services	23
Validation Agent	24



<b>Key Questions</b>	<b>Page No</b>
What is included in Credit Exposure with respect to borrowings?	5
Is this limit of USD one million or equivalent applicable for one transaction or all the transactions done in one year?	6
RBI Mandate states that LEI Number is required for all payment transactions of value INR 50 crore and above undertaken. Is this for one single transaction or cumulative amount for one financial year?	7
What is the process to apply for LEI?	8
What is Charges for LEI registration or Renewal?	8
How to update an authorized person details if the previous authorized person is not available?	9
What are the documents required to be submitted to LEIL for processing LEI applications?	10



## Introduction about Legal Entity Identifier (LEI)

### Q: What is LEI?

- A. The Legal Entity Identifier (LEI) initiative is designed to create a global reference data system that uniquely identifies every legal entity, in any jurisdiction, that is party to a financial transaction. More specifically, LEI is a unique 20 digit code that is assigned to a legal entity.

### Q: What is the purpose of LEI?

- A. The Global LEI system (GLEIS) has been set up by regulatory authorities [including G20 and the Financial Stability Board (FSB) to address the global financial crisis. The LEI is designed to enable the identification and linking of parties to financial transactions in order to manage counterparty risk. Its goal is to help improve the measuring and monitoring of systemic risk and support more cost-effective compliance with regulatory reporting requirements.

### Q: What is the LEI structure?

- A. The LEI is a 20 character alphanumeric code created using ISO 17442:2012 standard and has the following structure:
- ✓ **Characters 1-4:** Prefix used to ensure the uniqueness among codes from LEI issuers (Local Operating Units or LOUs).
  - ✓ **Characters 5-18:** Entity-specific part of the code generated and assigned by LOUs according to transparent, sound and robust allocation policies. As required by ISO 17442, it contains no embedded intelligence.
  - ✓ **Characters 19-20:** Two check digits as described in the ISO 17442 standard.

Every eligible legal entity will be assigned unique LEI for use globally. The LEI itself will contain no embedded intelligence



## LEI Code Mandates in India

### Q. What are criteria required for LEI Code as per different Mandates in India?

A. Different Mandates for which LEI code is required are as follows also find the below link for all mandates with regards to LEI:

[https://www.ccilindia-lei.co.in/USR\\_WHATS\\_NEW\\_MADATES.aspx](https://www.ccilindia-lei.co.in/USR_WHATS_NEW_MADATES.aspx)

## RBI Circular for OTC derivatives

**Over-the-Counter (OTC) Derivatives:** Over-the-Counter (OTC) markets for Rupee Interest Rate derivatives, foreign currency derivatives and credit derivatives in India.

The Reserve Bank of India has mandated the implementation of the LEI system for all participants in the Over-the-Counter (OTC) markets for Rupee Interest Rate derivatives, foreign currency derivatives and credit derivatives in India, in a phased manner. Entities without an LEI code would not be eligible to participate in the OTC derivative markets, after the date specified in the schedule.

In case you are booking forward contract with bank, then you will be required to obtain LEI code under this circular.

## RBI Circular for Large borrowers

**Borrowings :** RBI has mandated LEI number for corporate borrowers having aggregate fund-based and non-fund based credit exposure of ₹ 5 crore and above from any bank to obtain Legal Entity Identifier (LEI) registration.

### Q. What is included in Credit Exposure with respect to borrowings?

- A. **For Large Borrowings Mandate:** The credit exposure comprises of all types of **fund** and **non-fund** based limits with all banks which includes :
- loans
  - cash credit facility
  - Bank Guarantee
  - letter of credit
  - Commercial Paper/Corporate Bonds outstanding



f) forex/derivatives exposure limits

**Exposure includes:**

- i. Credit exposure (fund based and non-fund based credit limit)
- ii. Investment exposure (including underwriting and similar commitments)
- iii. The sanctioned limits, or outstanding, whichever is higher, shall be reckoned for arriving at the exposure limit.

**Q. Borrowing and credit exposure taken from which Banks & Financial Institutions are covered under this circular?**

A. "Banks" shall mean Scheduled Commercial Banks (excluding Regional Rural Banks), Local Area Banks, Small Finance Banks and Primary (Urban) Co-operative Banks & "Financial Institutions" (FIs) shall mean All India Financial Institutions (Exim Bank, SIDBI, NHB, NABARD and NaBFID) and NBFCs (including HFCs)

**Q: What is the scope of the RBI circular dated April 21, 2022?**

A. RBI Circular states that non-individual borrowers having aggregate exposure of ₹5 crore and above from banks and financial institutions shall be required to obtain LEI codes as per the timeline.

Timeline for obtaining LEI by borrower

Total Exposure	LEI to be obtained 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

## RBI Circular for Non derivatives markets

**Q: What is the scope of the RBI circular dated November 29, 2018 and November 02, 2017?**

A. RBI Circular covers participants in non-derivative markets and borrowers of banks in a phased manner to apply for an LEI.

Non-derivative markets include:

- Government securities markets
- Money markets (markets for any instrument with a maturity of one year or less)



- Non-derivative forex markets (transactions that settle on or before the spot date) that is cash, tom and spot transactions.

**Q. In case of non-derivatives forex market, the RBI Notification states that “client transactions shall require LEI code for transactions involving an amount equivalent to or exceeding USD one million or equivalent thereof in other currencies.” Is this limit of USD one million or equivalent applicable for one transaction or all the transactions done in one year?**

**A.** The limit of USD one million or equivalent is applicable for any one transaction carried out with USD one million or equivalent.

## **RBI Circular for NEFT/RTGS Transactions**

**Q: This RBI Mandate states that LEI Number is required for all payment transactions of value INR 50 crore and above undertaken. Is this for one single transaction or cumulative amount for one financial year?**

**A.** The circular refers to any single transaction done through RTGS/NEFT of value 50 crores or above during the year.

**Q: For which type of Instrument of Payment will be consider for the circular. (E.g. FX Payments, Money Market Payments, Vendor Payments, Inter-company payments or any other. If any, please specify)**

**A.** In case you are using RTGS/NEFT for carrying out transactions of value 50 crores or above for FX Payments, Money Market Payments, Vendor Payments, Inter-company payments or any other, LEI number would be required.

## **RBI Circular for Cross-border Transactions**

**Q: What is the scope of the RBI circular for Cross Border transactions?**

**A.** AD Category I banks, with effect from October 1, 2022, shall obtain the LEI number from the resident entities (non-individuals) undertaking capital or current account transactions of ₹50 crore and above (per transaction) under FEMA, 1999. As regards non-resident counterparts/overseas entities, in case of non-availability of LEI information, AD Category I banks may process the transactions to avoid disruptions.



## **IRDAI Circular for Insurers and corporate borrowers**

**Q: What is the scope of the IRDAI circular dated June 05, 2020?**

- A.** The IRDAI circular is applicable to both term loan borrowers and debenture issuers. Debentures, term loans as well as Bonds both would be included in computing the overall exposure that an insurer or financial institution has to a corporate borrowers either in the form of term loan or debentures or in any other form of debt.

## **SEBI Circular for Non-convertible securities, securitized debt instruments and security receipts**

**Q: Which entities are covered in this SEBI circular?**

- A.** The SEBI circular requires "**Debenture trustees**" and "**Asset reconstruction companies (ARCs)**" to obtain LEI Number by September 01, 2023. This circular states that LEI number is required to be obtained for issuers who have listed and/ or propose to list non-convertible securities, securitised debt instruments and security receipts.





## General Questions

### Q. What is the process to apply for LEI?

A. The following are the steps to apply for an LEI:

1. We request the applicant to kindly refer the LEIL web link <https://www.ccilindia-lei.co.in>. "Rules, FAQs & Docs" on the website provides the User Manual and FAQs for applying for an LEI. We request you to refer to chapters "Getting Started" and "New Registration of the LEI Manual for LEI Services document".
2. Please go to Download Tab and download the documents under Tab "Legal Doc Download". You will be able to download the list of documents and formats for LEI application.
3. The applicant who is authorized through letter of authority in the format prescribed by LEIL/general board resolution will create an online account.
4. The applicant will submit the online registration form and makes the payment.
5. The entity will be required to upload the necessary documents on the online form.
6. In case legal entity is unable to upload documents then it has to courier the required physical documents to LEIL.
7. LEIL will verify the documents, payment and the details submitted by legal entity in online form.
8. LEI number is issued. Please feel free to contact at [lei@ccilindia.co.in](mailto:lei@ccilindia.co.in) or **18002106990** in case of any queries.

### Q: What forms of payment are accepted?

A. The payment can be made by way of **NEFT/Internet Banking/Credit Card/Debit Card/ Demand Draft payable at Mumbai**. The authorized user will receive email with respect to payment of fees.

### Q: What are the charges for LEI registration/ renewal?

You can choose any payment (single/multiyear) option as follows:

#### 1) Amount for one year

- 4,130/- (3500/- plus GST @ 18%) for New Applications

- 3,304/- (2800/- plus GST @ 18%) for Renewal Applications

#### 2) Fee structure including 1<sup>st</sup> year issuance



Multi-Year Contract Option	SEZ	Non SEZ ( inclusive of 18% GST)	
		Fees + 18% GST	Total fees
2 years - New application & Renewal for next 1 year	6,150	6,150+ 1,107	7,257/-
3 years - New application & Renewal for next 2 years	8,650	8,650+ 1,557	10,207/-
4 years - New application & Renewal for next 3 years	11,050	11,050+ 1,989	13,039/-
5 years - New application & Renewal for 4 years	13,300	13,300+ 2,394	15,694/-

### 3) Fee structure for renewals only

Multi-Year Contract Option	SEZ	Non SEZ ( inclusive of 18% GST)	
		Fees + 18% GST	Total fees
Renewal application for 2 years	5,450	5,450+ 981	6,431
Renewal application for 3 years	7,950	7,950+ 1,431	9,381
Renewal application for 4 years	10,350	10,350+ 1,863	12,213
Renewal application for 5 years	12,600	12,600+ 2,268	14,868

LEI Number is valid for one year. LEIL shall send reminder email well in advance in case of single year payment or multi-year payment to submit required documents before the due date

In the multi-year option, if the validity of LEI extends beyond the end -date of contract for which term the multi- year fee payment is made due to non-submission of required documents for renewal in time, an additional fee of Rs 250/- per month will be levied for the period for which it extends the end date.

Entities are, therefore, requested to submit the required documents timely.



**Q. How much time does it take to process an LEI application?**

- A. We generally take 1-2 working days to review after receipt /upload of complete application form and payment.

**Q: Who is an Authorized Person for particular LEI?**

- A. A person authorized by legal entity to apply, modify, update or renew it's LEI. Authorized persons include:
- a) Main user or primary user who is submitting the online application form for issuance of LEI.
  - b) Secondary user Name and email id of Secondary authorized official mentioned in the letter of authority / board resolution document.

A duly authorized person is the official authorized through Letter of Authority/General Board Resolution.

**Q: How to update an authorized person details if the previous authorized person is not available?**

- A. A legal entity is expected to maintain updated details with LEIL. Any change in main or primary officials should be communicated to LEIL to link the new user mail id. After Submission of Letter of Authority document on the mail id: [lei@ccilindia.co.in](mailto:lei@ccilindia.co.in) & Creation of new user account with new person mail id, LEIL would Link LEI Code with new mail id. After LEI Code is linked with new Authorized person mail id, authorized person is required to submit a modification request on the web-portal.

**Q: Who needs to apply for LEI codes?**

- A. An legal entity registered in India can apply for LEI as per their requirement. The list of entities eligible to apply for LEI codes are but not limited to Sole Proprietorships, Limited Liability Partnerships, Partnership Firms, Trusts, Private Limited Companies, Public Limited Companies, Government Companies, One Person Company, Insurance Companies, Housing Finance Companies, Non-Banking Finance Companies, Non profit companies, Special Purpose Vehicles – ARC Trusts, Special Purpose Vehicles – Companies, SPV - Partnership Firms, SPV – Co-operative Societies or Multistate Co-operative Societies Mutual Fund, Mutual Funds-Sub Scheme, Pension Fund, pension Fund Sub-Scheme, Alternative Investment Fund (AIF), AIF- Sub Scheme, Nationalized Banks, Scheduled Urban Cooperative Bank, RRBs, Payment Banks, Banking Companies – Others, Stand Alone Primary Dealers, Public Financial Institutions, Unlimited Companies, Cooperative Societies or Multistate Cooperative Societies, Government Organizations, Companies Limited by Guarantee, Provident/Superannuation/Gratuity/Insurance Fund, HUF, etc. Other entities as may be specified from time to time.



**Q: Can an individual apply for LEI?**

A. No, an individual acting in natural capacity is currently out of scope to apply for LEI.

**Q: Can I apply on behalf of another entity as an authorized intermediary?**

A. LEIL accepts only self-registration and also through a Validation Agent. Please refer Validation Agent FAQs at the end of this document.

**Q: Does each Sub-Schemes of Mutual Fund/Alternative Investment Fund need to file LEI applications?**

A. Each scheme of Mutual Fund/Alternative Investment Fund may apply for LEI code. When applying for a sub-scheme under an umbrella, ensure that the legal entity name is submitted in your application as follows:

In case of Mutual fund sub-scheme, the legal name would be the name of the scheme only For example: If the Mutual fund sub-scheme named IDBI MUTUAL FUND-IDBI SHORT TERM FUND has applied then the LEGAL NAME will be IDBI SHORT TERM FUND only.

**Q: I have obtained LEI for my company. Do I have to apply for LEI number again?**

A. No, LEI number is a globally unique number assigned to your company. Hence, the same LEI number is also valid for all circulars if the status of the same is active.



## LEI Registration Process

### Q: What are the documents required to be submitted to LEIL for processing LEI applications?

- A. The legal entity after creating an account will go to “Information” Tab and select “Legal Doc Download”. The list of documents for each legal form is available for download. The legal entity will have to upload the soft copy of documents in case you are not able to upload the documents you may email them to lei@ccilindia.co.in.
- ✓ Letter of Authority as per the format specified by LEIL or General Board resolution
  - ✓ Audited Financial Statements
  
  - ✓ Audited financials of Holding and Ultimate Parent or Auditor’s Certificate as per the format specified by LEIL in case of holding company and ultimate parent.

### Q: What validation will be done against my submission?

- A. All LEI requests will be independently validated with the identified source. The below is the list of Registration Authority for the respective legal forms.

Name of Registration Authority	Type of Legal Form
Ministry of Corporate Affairs	All types of Companies permitted under the Companies Act including NBFCs, AMCs and Insurance Companies
Securities Exchange Board of India	Mutual Funds (MFs), Alternative Investment Funds (AIFs) AIF Sub Schemes
National Securities Depository Limited and /or Central Depository Services Limited (ISIN of the “Regular Growth Option” of the respective fund sub schemes to be inputted)	MF Sub Schemes
National Housing Bank	Housing Finance Companies
NSDL (ITD)	For PAN Verification of all Legal entities
Directorate General of Foreign Trade / ICEGATE	For Import Export Code (IEC) Verification of all Legal entities
Goods and Services Tax	For GSTIN Verification of all Legal entities
The Insurance Regulatory and Development Authority (IRDAI)	For Insurance Companies
Deposit Insurance and Credit Guarantee Corporation/Reserve Bank of India License	Cooperative Banks/RRBs/Payment Banks



Name of Registration Authority	Type of Legal Form
Copy/ Directorate of Printing and Department of Publications - Gazette of India	
Pension Fund Regulatory Development Authority	Pension Fund and Pension Fund sub-scheme
Gazette Notification / Act of Parliament / Presidential order	Public Sector Undertaking Banks, Government Organizations, Public Financial Institution

The Registration Authority Name / Type field will be capture as per the legal form of the entity. Please select the respective Registration Authority Name/Type as per above table

If any one of the above Registration Authority Name/Type is not available or not applicable for your legal entity, then select NSDL (ITD).

**Q: I applied for an LEI through the portal, why can't I see it as "issued" through the search in the public area?**

A. Your record is published as soon as your application is processed and LEI is assigned. Depending on the number of LEI applications and the volume of public sources that need to be checked, the validation may take a while. We will notify you by email when your LEI is issued and published. Normally if all documents have been uploaded/submitted and payment is received, LEI should be issued within 1-2 working days.

**Q: What is the validity period of LEI?**

A. The LEI is valid for one year from the date of issuance/last renewal date.



## **LEI Renewal**

### **Q: Why is LEI number required to be renewed?**

- A. The LEI number is valid for a period of one year from the date of registration. The renewal of this is necessary to ensure the actuality and accuracy of the information. This validation is done only if the entity requests the Renewal certification. If the LEI number is not renewed the LEI status is set to “LAPSED”. We are now offering for multiple annual renewals for ease of operations.

### **Q: Where can I find out the renewal date for my existing LEI?**

- A. The legal entity has to search the LEI/legal name in search tab.

### **Q. We needed to renew an LEI with LEIL. However we have made unknowingly a payment on another website [www.abc.xyz.lei.com](http://www.abc.xyz.lei.com) .However, now they are asking us to transfer our LEI record. How can we get a refund?**

- A. There are many registration agents of LEI Issuers who transfer your LEI outside India. There are no fees for transfer of LEI Number. You have to email the agent to refund you the fees charged to you. You will have to submit a Transfer Objection Form to LEIL.

In case you face any issue with the agent, please feel free to email us on [lei@ccilindia.co.in](mailto:lei@ccilindia.co.in)

### **Q. Does LEIL re-validates the Relationship Record at the time of Renewal?**

- A. At the time of renewal of the child entity record LEIL shall re-validate the relationship record.

## **INTERNATIONAL BRANCH**

### **Q: Can an international branch obtain an LEI number?**

- A. Yes, an international branch carrying out its operations in India can obtain an LEI number. For illustration, your parent company (head office) may be located in foreign (home) country and its branch is operating in India, then the branch can obtain an LEI number.



**Q: What is the eligibility criteria/pre-requisites for an international branch to obtain LEI?**

A. The below is the eligibility criteria/pre-requisites for an international branch to obtain an LEI:

- ✓ Only one LEI will be issued to a branch or network of branches operating in India (host country)
- ✓ The branch is registered in a publicly accessible local business registry or local regulatory registry or tax registry
- ✓ The head office (or headquarters) of the branch already has an LEI so that the LEI of the head office entity can always be associated with the LEI of the international branch.
- ✓ The reference data of the branch always specifies that the entity is a branch.

**Q: What is to be entered in Registration Authority Source field for an International Branch?**

A. International Branch: If FCRN number is available, then select Ministry of Corporate Affairs (MCA). If FCRN number is not available, then select DICGC.

**Q: What will be the Next Renewal Date for the International branch?**

A. The next renewal date of branch is same as that of the next renewal date of the headquartered office next renewal date.

## **Relationship Record**

**Q. What is a Relationship Record?**

A. Relationship Data means collection and reporting of data on Direct and Ultimate Accounting Parent. Data on parent entities is a part of the information that must be provided in order for LEI to be issued or renewed that have or acquire LEI.

**Q. Define Parent Entity.**

A. A Parent is defined as an entity that controls one or more entities and a 'subsidiary as an entity that is controlled by another entity.

**Q. Define Direct and Ultimate Parent?**

A. **"Ultimate Parent"** defined as the highest level legal entity preparing consolidated financial statements, as well as their "direct accounting consolidating parent".

**"Direct Parent"** defined as the lowest level legal entity that prepares consolidated financial statements that consolidate the entity





In both cases, the identification of the parent would be based on the accounting definition of consolidation applying to this parent.

### Q. Define Fund Relations?

**The FUND RELATIONS tab is applicable in case of MUTUAL FUND/MUTUAL FUND SUB\_SCHEME/AIF/AIF SUB\_SCHEME only.**

For MUTUAL FUND/MUTUAL FUND SUB\_SCHEME

i) Fund Management Entity relationship **IS\_FUND-MANAGED\_BY**

The AMC of the Mutual fund is to be reported under this page, only if it has an LEI number it can be reported.

**For example**, HDFC Asset management entity (AMC) will be the Fund Management Entity for HDFC Children's gift Fund.

ii) Umbrella Structure relationship **IS\_SUBFUND\_OF**

The Mutual fund name is reported here in case of Mutual fund sub-scheme

**For example**: HDFC Mutual Fund will be reported as Umbrella Structure for HDFC Children's gift Fund.

iii) Master feeder relationship: In case of Master Feeder relationship, please report the feeder information.

### For AIF SUB\_SCHEME

i) Fund Management Entity relationship **IS\_FUND-MANAGED\_BY**

The Investment manager of the AIF is to be reported under this page.

**For example**, IIFL Asset Management Limited (Investment Manager) having LEI Number will be the Fund management entity for IIFL INCOME OPPORTUNITES FUND – SERIES.

i) Umbrella Structure relationship **IS\_SUBFUND\_OF**

The AIF of the sub-scheme is reported here in case of AIF sub-scheme.

**For example**: IIFL INDIA PRIVATE EQUITY FUND(AIF) having LEI Number will be reported as Umbrella Structure for IIFL INCOME OPPORTUNITES FUND - SERIES 3(Sub Scheme).

ii) Master feeder relationship: In case of Master Feeder relationship, please report the feeder information.

### Q. What is the purpose of Relationship Data?

**A.** The LEI reference data on ownership and corporate hierarchies are essential to achieve one of the key objectives of risk aggregation for the global LEI system. The aim is to have sufficient data to construct a map of the financial network and the complex entity groups which participate in it. By providing information on Parent Entities/fund relationships, it would be possible to construct shareholdings and voting control through the financial group.



Examples of uses of the financial network are banking supervision (large exposures; data aggregation and risk reporting), securities regulation (aggregation of OTC derivatives data), licensing (banking, insurance and securities sectors), and resolution of failing financial institutions, financial stability, antimoney laundering and countering the financing of terrorism.

**Q. Who will report the Relationship data on Direct and Ultimate Parent?**

- A. Legal entities (Child Entity) will be obliged to provide data of its direct and ultimate parent to the LEIL. Information on parents will be part of the information that must be provided in order for LEI to be issued or renewed. The self-registration principle holds also for the Relationship Data.

**Q. Can the Parent and Child Managing LOU be different and need not be the same?**

- A. Yes, 2 related entities may have LEIs managed by two different LOUs.

**Q. When should the Relationship data be provided?**

- A. Legal Entities (child) are required to provide Relationship Data either at the time of LEI Issuance, LEI Renewal or LEI Transfer whichever happens first.

**Q. Is Relationship Data reporting mandatory?**

- A. Yes, it is mandatory for all Legal Entities to report data along with LEI of Direct and Ultimate Parent (If the LEI is available for the parent) or report “**opt out**” reason.

**Q. What happens if an Entity does not want to report data on Direct and Ultimate Parent?**

- A. The collection of data on Parent Entity is mandatory for all Legal Entity. Nevertheless, if the Legal Entity declines to report the data on Relationship, the entity has to specify opt out reason for the same which is recorded by the LOU as an Exception. The “**opt out**” reason is thus collected as part of the LEI record of the reporting entity. Thus, all Legal Entities shall have minimum 2 records. The Legal Entities are required to provide LEIs of both Direct and Ultimate Parent. These records could be a direct parent relationship record, an ultimate parent relationship record or an exception report. The possible combinations of Direct and Ultimate parent are as given below:

<b>Direct Parent</b>	<b>Ultimate Parent</b>
Relationship Record	Relationship Record
Relationship Record	Exception Record
Exception Record	Relationship Record
Exception Record	Exception Record



### **Q. What are the Exception Scenarios?**

A. Under following circumstances where entities have parent but are not able to report, the Legal Entities may opt for Exception Reporting:

1. **No\_LEI** : There is a parent which consolidates your company but does not have an LEI Number
2. **NON\_PUBLIC** : There is a parent but is unable to disclose due to legal obstacles, consent not obtained to disclose from the parent company, binding legal commitments, disclosure detrimental, other reasons

### **Q. What happens if the Direct/Ultimate Parent does not have LEI?**

A. Direct/Ultimate Parent who do not have LEI or the parent does not consent to have an LEI may choose exception reporting – No LEI or Non Public.

### **Q. What is to be reported if there is no direct/ultimate parent?**

A. Exceptions such as:

- ✓ **Natural Persons** – There is no Parent according to the definition used, because the entity is controlled by natural persons without any intermediate legal entity meeting the definition of accounting consolidating parent.
- ✓ **Non Consolidating** – There is no parent according to the definition used because the entity is controlled by legal entities not subject to preparing consolidated financial statements.
- ✓ **No known Person** – There is no parent according to the definition used because there is no known person controlling the entity.

### **Q. What are the Validation Documents to be submitted by Legal Entities?**

- ✓ Consolidated financial statements to validate parent relationship or
- ✓ Regulatory filings (Reports to a securities regulator or a bank supervisor) or
- ✓ Other types of documents/sources supporting the preparation of consolidated financial statements, contract and other official documents such as Statutory Auditor's certificate.



## Conformity Flag

### Q. What is LEI Conformity Flag?

A. The Policy of Conformity Flag is a simple, clear tool for global data users to determine whether individual LEI records meet certain Regulatory Oversight Committee (ROC) policies. The ROC coordinates and oversees the Global LEI System.

An LEI which will be labelled as 'unconforming' will indicate the following criteria have not been met:

- **LEI registration is Lapsed**– the LEI registration has not been timely renewed.
- **Parent data reporting is incomplete** – the legal entity has not reported data on i.e. either direct and ultimate parents, or one of the acceptable reasons have been reported.

### Q. Where LEI Conformity flag be raised or visible?

A. Conformity flag would be visible on website of GLEIF.

<https://search.gleif.org/#/search/simpleSearch>

### Q. How can my LEI record be Confirmed & Status would change from non confirming?

A. **If LEI registration is Lapsed** – Then Legal entity is required to apply for renewal by following below steps as mention in below link:

[https://www.ccilindia-lei.co.in/USR\\_WHATS\\_NEW5.aspx](https://www.ccilindia-lei.co.in/USR_WHATS_NEW5.aspx)

Note: Legal entity has to upload the Latest Audited financial statement of their company along with consolidated financial of parent company (if it is having parent Company)

- B. **If Parent data reporting is incomplete** : Then Legal entity is required to update its parent data by filing online form after logging into account and uploading parent company's consolidating financial/auditor's certificate/any other supporting document.  
In case your parent does not have LEI Number, you have to request your parent to obtain LEI Number to maintain your Conformity Status.



## **Transfer of Relationship Record**

### **Q. What happens to the relationship record if the LEI of the Child is transferred?**

- A. If the LEI of the Child entity are transferred to another LOU, the relationship record of the child entity also gets transferred.

### **Q: What if I wish to move my LEI from an existing operational LOU to LEIL?**

- A. An Indian entity that has obtained its LEI from another LOU may raise a portability request for transfer of record to LEIL by logging in the LEI portal. For more information on the process for portability, please refer to LOU Rules and User Manual available under “FAQs and Documents”. For further clarifications, please contact LEI team on 022 022-61546469/6632.

## **Parent/Child Entity Merged/Retired or Change of Control**

### **Q. Explain what happens if a Child Entity merges, retires or is acquired.**

- A. If the Legal entity merges or retires, LEIL shall update the relationship status of the Legal Entity as “INACTIVE” and registration status as “RETIRED”.

### **Q: How should I indicate in case of any events of your legal entity to LEIL?**

- A. The events includes:

- ✓ Merger & Acquisition
- ✓ Dissolution ,
- ✓ Legal form change and entity ceases operations
- ✓ Acquisition of an International Branch
- ✓ Transformation of International Branch to Subsidiary.
- ✓ Liquidation

In case of formation of a new legal entity due to new incorporation, merger & acquisition or any other form of corporate restructuring, you will have to request for a new LEI.

Legal entities surviving as a result of merger & acquisition, Acquisition of an International Branch, Transformation of International branch to subsidiary will be required to have an LEI or shall continue using their existing LEIs.



In case of a change in the legal form of the entity, you are requested to immediately contact LEIL on [lei@ccilindia.co.in](mailto:lei@ccilindia.co.in) or reach us at - Toll Free No - 18002106990

Please refer User Manual – Events Chapter from below link:

[https://www.ccilindia-lei.co.in/Documents/User\\_Manual\\_Other.pdf](https://www.ccilindia-lei.co.in/Documents/User_Manual_Other.pdf)

## LEI Statuses

### Q: What does the Registration Status for a LEI mean?

A. The Registration Status of an LEI record indicates the status of the applicant or the status of the LEI of the legal entity. The various types of Registration statuses are as follows:

- ✓ **PENDING:** An application for an LEI that has been submitted and which is being processed and validated.
- ✓ **ISSUED:** A unique LEI code has been issued to applicant entity.
- ✓ **LAPSED:** An LEI registration that has not been renewed.
- ✓ **RETIRED:** A company, fund, or corporation of public law that held the LEI no longer exist.
- ✓ **TRANSFERRED:** An LEI registration that has been transferred to a different LOU as the managing LOU.
- ✓ **PENDING\_TRANSFER:** An LEI registration that has been requested to be transferred to another LOU.
- ✓ **PENDING\_ARCHIVAL:** When the receiving LOU is ready, the status will be changed to PENDING\_ARCHIVAL by the sending LOU prior to completion of the transfer. It serves to inform recipients of LOU-provided data files that an LEI record will be removed from that LOU's published file after the transfer is complete.

### Q: What does the Entity Status for a LEI mean?

A. The Entity Status of an LEI record indicates status of the legal entity itself. The various types of Entity statuses are as follows:

- ✓ **ACTIVE:** As of the last report or update, the legal entity reported that it was legally registered and operating.
- ✓ **INACTIVE:** It has been determined that the entity that was assigned the LEI is no longer legally registered and/or operating, whether as a result of:
  1. Business closure
  2. Acquisition by or merger with another (or new) entity
  3. Determination of illegitimacy



## **LEI – Other Services**

***(Modify/Update, Challenge, Transfer LEI, Corporate Events)***

### **Q: How to update your existing LEI submission?**

- A.** Using the LEIL's LEI web link on <https://www.ccilindia-lei.co.in/> enter the email and password that you registered with and login.
- ✓ Select “LEI Service”, click on modify and input the LEI to update and make changes to the desired fields.
  - ✓ An auto-generated mail is sent confirming receipt of your request and for supporting documents. Post successful validation of request, changes will be accepted and the same will be reflected for the legal entity.



## Validation Agent

### Q: What is Validation Agent?

- A. The Validation Agent Framework is a new operational model in the Global LEI System wherein a financial institution or an entity is appointed by the LOU and approved by GLEIF to act as a Validation Agent (VA). VA assists their clients in obtaining and maintaining Legal Entity Identifiers (LEIs) in cooperation with accredited LEI Issuer Organizations (LOUs) by leveraging their business as usual client identification procedures in Know Your Customer (KYC) and client onboarding processes.

### Q: What will Validation Agent do?

- A. A Validation Agent (VA) begin with a check to establish whether their client has an LEI or not. If their client does not have LEI, the VA will collect the required documents as prescribed by the linked LOU. It shall validate the Legal Name, Authorized Signatory(ies), Business Registry Information, Legal / Headquarters / Branch address, Parent information etc. and co-ordinate with the LOU to facilitate their clients in obtaining and maintaining LEI smoothly

### Q: Who is Validation Agent?

- A. Currently Rubix Data Sciences Private Limited (RUBIX) & MNS Credit Management Group Private Limited have been appointed as Validation Agents by LEIL.

### Q: How to apply for LEI through Validation Agent?

- A. Legal entity has to visit Validation Agent (RUBIX's website - <https://rubixds.com> MNS Credit's website - <https://www.mnscredit.com/lei> where the LEI tab is available. Legal entity will be redirected to LEIL's website after clicking on the aforesaid LEI tab. Please refer user manual for the steps to obtain LEI number.

Alternatively, the user can provide documents and their data to Validation Agent (VA). Validation Agent, on behalf of Legal Entity, will complete LEIL online application process. Subsequently, the payment will be collected by VA on behalf of LEIL.

Our Validation Agents will assist the legal entity during the processing of application and LEI issuance process.