

RBI notification on Legal Entity Identifier (LEI) for transactions greater than INR 50 Crores on RTGS and NEFT

RBI circular dated 5th January, 2021 "**Introduction of Legal Entity Identifier for Large Value Transactions in Centralised Payment Systems**" vide RBI/2020-21/82 DPSS.CO.OD No.901/06.24.001/2020-21 has been passed.

Basis this circular, effective April 1, 2021, RBI has mandated to mention of Legal Entity Identifier (LEI) number & expiry for all payment transactions of value INR 50 crores and above for entities (non-individuals) using Real Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT) services. **Hence effective April 1, 2021, it will be mandatory to include remitter and beneficiary LEI number & expiry while initiating RTGS and NEFT transaction from your HDFC Bank Account/s.**

What is LEI number?

The Legal Entity Identifier (LEI) is a 20-digit alphanumeric code used to identify parties to financial transactions worldwide.

How to obtain LEI number?

While we are developing a system to accept and maintain the LEI number & expiry submitted, we advise you to obtain LEI number in case you undertake transactions of INR 50 crores and above.

The circular states that Entities can obtain LEI from any of the Local Operating Units (LOUs) accredited by the Global Legal Entity Identifier Foundation (GLEIF), the body tasked to support the implementation and use of LEI. So in India, LEI can be obtained from Legal Entity Identifier India Ltd. (LEIL) (<https://www.ccilindia-lei.co.in>), which is also recognized as an issuer of LEI by the Reserve Bank under the 'Payment and Settlement Systems Act, 2007'

For any queries or details, please feel free to contact your Relationship Manager/ Sales Manager/ Service Manager.