

CIRCULAR

SEBI/ HO/ AFD/ AFD– PoD–2/ CIR/ P/ 2023/ 0127
July 27, 2023

To,

1. **Foreign Portfolio Investors (FPIs)**
2. **Designated Depository Participants (“DDPs”) and Custodians**
3. **The Depositories**

Dear Sir / Madam,

Subject: Mandating Legal Entity Identifier (LEI) for all non – individual Foreign Portfolio Investors (FPIs)

1. The Legal Entity Identifier (LEI) code is a unique global 20-character code to identify legally distinct entities that engage in financial transactions. LEI is conceived as a key measure to improve the quality and accuracy of financial data systems for better risk management post the Global Financial Crisis. RBI directions, *inter alia*, mandate non-individual borrowers having aggregate exposure of above Rs. 25 crore, to obtain LEI code.
2. Presently, FPIs are required to provide their LEI details in the Common Application Form (“CAF”), used for registration, KYC and account opening of FPIs on a voluntary basis. It has now been decided to mandate the requirement of providing LEI details for all non-individual FPIs. Depositories shall carry out the necessary modifications to the CAF in their Portals.
3. All existing FPIs (including those applying for renewal) that have not already provided their LEIs to their DDPs shall do so within 180 days from the date of issuance of this circular, failing which their account shall be blocked for further purchases until LEI is provided to their DDPs.
4. All fresh registration, subsequent to issuance of this circular, shall be carried out upon receipt of the FPIs’ respective LEI details.

5. FPIs are required to ensure that their LEI is active at all times. Accounts of FPIs whose LEI code has expired / lapsed shall be blocked for further purchases in the securities market till the time the LEI code is renewed by such FPIs.
6. This circular shall come into force with immediate effect.
7. This Circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulations 3 (2), 22 (1) (j) and 44 of SEBI (FPI) Regulations, 2019, to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.
8. This Circular is available at www.sebi.gov.in under the link "Legal Circulars".

Yours faithfully,

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