

MCA & CBIC sign MoU for exchange of data for enhancing Ease of Doing Business in India and improve overall regulatory enforcement

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The Ministry of Corporate Affairs (MCA) and Central Board of Indirect Taxes and Customs (CBIC), Ministry of Finance, here today signed a Memorandum of Understanding (MOU) for data exchange between the two organisations. The MoU was signed by Shri Manoj Pandey, Joint Secretary, MCA, and Shri B. B. Gupta, ADG, CBIC, in the presence of Shri Rajesh Verma, Secretary, MCA and Shri M. Ajit Kumar, Chairman, CBIC.

The MoU is in line with the vision of MCA and CBIC to harness data capabilities to ensure effective enforcement. Both the organisations are going to benefit from access to each other's databases which include details of import-export transactions and consolidated financial statements of companies registered in the country. The data sharing arrangement gains significance in light of development of MCA21 Version 3 which will utilise state of the art technology for enhancing ease of doing business in India and improve the regulatory enforcement and similar steps by CBIC like the launch of ADVAIT (Advanced Analytics in Indirect Taxation) a 360-degree taxpayer profiling tool. AI/ML, data analytics will play a critical role in achieving this synergy.

The MoU will facilitate the sharing of data and information between MCA and CBIC on an automatic and regular basis. It will enable sharing of specific information such as details of Bill of Entry (Imports), Shipping Bill (Exports) Summary from CBIC and financial statements filed with the Registrar by corporates, returns of allotment of shares. The MoU will ensure that both MCA and CBIC have seamless linkage for regulatory purposes. In addition to regular exchange of data, MCA and CBIC will also exchange with each other, on request, any information available in their respective databases, for the purpose of carrying out scrutiny, inspection, investigation and prosecution.

Technology and data will play a critical role going forward in fulfilling the Government's vision of minimum government, maximum governance and both MCA and CBIC are well placed to fulfill this vision.

The MoU comes into force from the date it was signed and is an ongoing initiative of MCA and CBIC, who are already collaborating through various existing mechanisms. A Data Exchange Steering Group also has been constituted for the initiative, which will meet periodically to review the data exchange status and take steps to further improve the effectiveness of the data sharing mechanism.

The MoU marks the beginning of a new era of cooperation and synergy between the two organisations.