

Corporate affairs ministry looks to monetize company database

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NEW DELHI : The corporate affairs ministry is looking to monetize the vast database of firms operating in India, which is now available to users through the MCA21 portal on payment of ₹100 per company, two people aware of the development said.

The ministry has held meetings with credit rating firms, which rely on government data sourced from third-party agencies, to evaluate the possibility.

“Data available on MCA21 are sold by third-party aggregators for as much as ₹1,500 per firm after doing some value addition,” an industry executive said, asking not to be named.

A second executive aware of the meeting with rating firms said the ministry is considering selling data sets in user-friendly formats, making them more valuable and accurate than the data provided by third-party aggregators. Monetizing the data could lead to a new source of revenue generation for the ministry, which may also seek the views of other stakeholders.

Queries sent to the ministry of finance and corporate affairs on Monday did not elicit a response as of press time.

The ministry is revamping MCA21 and is increasingly using technology to oversee compliance and improve ease of doing business. It expects the upgradation of the website to help in quicker data analysis and spotting compliance-related trends of over 1.4 million active firms and over 220,000 limited-liability partnerships. Early detection of trends, such as auditors quitting assignments prematurely, is expected to help improve regulatory oversight and policymaking.

Mint reported last year that the ministry was also building a team of researchers to look into compliance trends.

The new version of MCA21 will link up with the systems of other financial and corporate sector regulators, exchange data and alert authorities in case of violations. In addition, when needed, it will allow the ministry to hold compliance enforcement drives and automate electronic notices to defaulters.

MCA21 Version 3.0 is expected to be launched and deployed in phases and will include company and LLP modules, e-adjudication, e-consultation, e-book, learning management and compliance management system driven by data analytics, artificial intelligence and machine learning.