

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

**LOK SABHA
UNSTARRED QUESTION NO. 2745
TO BE ANSWERED ON FRIDAY, THE 17th MARCH, 2017
PHALGUNA 26, 1938 (SAKA)
MULTILATERAL COMPETENT AUTHORITY AGREEMENT**

2745. SHRI C. MAHENDRAN

Will the Minister of Finance be pleased to state

- a) whether the Government is a signatory of Multilateral Competent Authority Agreement for automatic exchange of Country-by-Country Reporting (CbC MCAA) pertaining to tax cooperation to enable automatic sharing of Country-by-Country information;
- b) if so, the details thereof;
- c) whether several new countries have signed CbC MCAA recently; and
- d) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI SANTOSH KUMAR GANGWAR)

- a) Yes, Madam.
- b) The Multilateral Competent Authority Agreement (MCAA) for automatic exchange of Country-by-Country (CbC) Reports has been developed by the Organisation of Economic Cooperation and Development (OECD) to

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facilitate amongst countries the automatic exchange of CbC Reports filed by Multinational Enterprises (MNEs). The MCAA has been developed to take forward the commitment of G-20 and OECD member countries, under the Base Erosion and Profit Shifting (BEPS) Project, to usher in a completely new Transfer Pricing documentation regime. The CbC Report is expected to provide countries with vital information to help them assess transfer pricing risks and select cases for audit. Detailed audit of such high-risk cases would help prevent profit shifting by MNEs through the transfer pricing mechanism.

India signed the MCAA for CbC on 12/05/2016 and shall exchange CbC Reports from 2018.

- c) & d) Yes, Madam. As per the information available, 57 countries have signed the MCAA for CbC till date. Some of the recent signatories are Russian Federation, Mauritius, Indonesia and Gabon.