

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:6750
ANSWERED ON:10.05.2002
PAYMENT OF BRAND NAME ROYALTY
RAMSHETH THAKUR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government have fixed norms on payment of brand name royalty; and
- (b) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) & (b) : As per extant Foreign Direct Investment (FDI) Policy, royalty on use of brand name/trade mark without technology transfer is allowed to be paid under the automatic route @ 2% on export sales and 1% on domestic sales, to be calculated as per prescribed formula.