

Government liberalises foreign technology tie-up rules

The government Thursday agreed to permit payments for royalty and lumpsum fee for transfer of technology and use of brand name through the automatic route without any restrictions.

So far, automatic approval was permitted only for foreign technology transfer involving payment of fees of \$2 million and royalty of 5 percent on domestic sales and 8 percent on exports.

Beyond this, prior permission was required from the government's project approval board.

'With the government's further liberalisation, the move is expected to freely promote the transfer of state-of-art-technology into the country,' said a government press release.

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