

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3313  
ANSWERED ON:30.08.2013  
ROYALTY TO MNCS  
Joshi Dr. Murli Manohar;Yadav Shri Dinesh Chandra

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Ministry of Finance has information relating to funds disbursed by companies as royalty payment;
- (b) if so, the details thereof along with details of companies in receipt of the royalty payment for each of the last three years, company and sector-wise; and
- (c) the reaction of the Government to the funds flowing abroad in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI J.D. SEELAM)

(a) to (c): No such database related to funds disbursed as royalty payments is maintained by the Ministry of Finance. However, with a view to prevent shifting of profits out of India and consequent erosion of the Indian tax base, selected international transactions undertaken are analysed every year in accordance with the transfer pricing provisions contained in Chapter X of the Income Tax Act, 1961.