

GOVERNMENT OF INDIA  
MINISTRY OF SCIENCE AND TECHNOLOGY  
DEPARTMENT OF SCIENCE AND TECHNOLOGY  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 459**  
ANSWERED ON 28/11/2024

**UNDERUTILISATION OF BUDGET AND GERD**

459 SHRI TIRUCHI SIVA:

Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

- (a) whether it is a fact that over the last six years (FY2018-2024) Department of Science and Technology has spent on an average 18 per cent below the budgeted expenditure for the Department;
- (b) if so, the reasons for such underutilisation;
- (c) the reasons for persistent delay in meeting its stated objective of spending 2 per cent of GDP/doubling every five years the Gross Expenditure on Research and Development (GERD), in line with the Science Technology, and Innovation Policy, 2020; and
- (d) measures taken to propel the share of private sector GERD to over 50 per cent?

**ANSWER**

MINISTER OF STATE (INDEPENDENT CHARGE) FOR THE  
MINISTRY OF SCIENCE AND TECHNOLOGY & EARTH SCIENCES  
(DR. JITENDRA SINGH)

(a) to (b): Yes Sir. The underutilization of expenditure for the Department of Science and Technology is attributed to multiple factors including the COVID-19 pandemic situations significantly affecting the implementation of the programs, travel related restrictions, low response in submission of research proposals, delay in the processing of proposals, lower fund utilization in the initial phase of the new programmes, transitioning to new fund flow mechanisms, etc.

(c) As per the latest available R&D statistics, the national investment on research and development (R&D) measured in terms of Gross Expenditure on Research and Development (GERD), in absolute terms, has been increasing over the years and has more than doubled over the last 10 years. However, the GERD as a percentage of GDP has remained between 0.6% to 0.7% over the same period mainly due to inadequate participation of the private sector. Further, it may be pertinent to mention that the draft of the Science Technology, and Innovation Policy, 2020 has not been approved by the government.

(d) The government has taken up several steps to enhance private sector GERD which include: incentivizing investment by private sector to increase their share in GERD, improving the ease of doing business in the Science, Technology and Innovation (STI) activities; introducing flexible tools for public procurement; creating avenues for collaborative STI funding through portfolio-based funding mechanisms such as Public-Private-Partnerships and other innovative hybrid funding mechanisms. The government has allowed corporate sector to make R&D investments under the provision of Corporate Social Responsibility (CSR). Corporates can invest in technology business incubators or contribute in research efforts carried out by institutions and national research laboratories as a part of their CSR. There are specific investment incentives offered such as Location-based tax incentives that enable 100% deductions of profits generated from establishing and doing business in northeastern states of India. Further, the government has established the Anusandhan National Research Foundation with the aim to provide high-level strategic direction for research, innovation and entrepreneurship in the field of science and technology with the provision of substantive share of budget contribution from private sector.

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