

**GOVERNMENT OF INDIA
MINISTRY OF SCIENCE & TECHNOLOGY
DEPARTMENT OF SCIENCE & TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION No. 2108
TO BE ANSWERED ON 02/08/2023
SPENDING ON RESEARCH & DEVELOPMENT**

2108. SHRI ASADUDDIN OWAISI:

Will the Minister of SCIENCE & TECHNOLOGY विज्ञान और प्रौद्योगिकी

मंत्री be pleased to state:

- (a) whether it is a fact that India lags behind many developing countries in regard to spent on Research and Development (R&D) of its GDP, if so, the details thereof;**
- (b) the details of the present spent on R&D of its GDP including private sector;**
- (c) whether total spend on R&D on the Government side is 56% while 35% from private sector, if so, the details thereof;**
- (d) whether the Government has set up a National Research Foundation (NRF) to increase the spent-on R&D and to provide increasing role to private sector if so, the details thereof; and**
- (e) the other steps taken by the Government to increase participation of private sector in the research field?**

ANSWER

**MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF SCIENCE AND TECHNOLOGY
(DR. JITENDRA SINGH)**

विज्ञान और प्रौद्योगिकी राज्यमंत्री (स्वतंत्र प्रभार)

(डॉ. जितेंद्र सिंह)

(a) & (b): As per latest R&D Statistics, India's spent on R&D (including private sector) of its GDP is 0.64%, while the same among other developing BRICS countries is Brazil (1.3%), Russian Federation (1.1%), China (2.4%) and South Africa (0.6%). This ratio is 0.3% for Mexico.

(c): The share of government spending on R&D (including Higher Education) is 63.6% and that of private sector is 36.4%.

(d): The Union Cabinet has approved introduction of the National Research Foundation Bill, 2023 (Bill) in the Parliament with an aim to establish National Research Foundation (NRF) as a Statutory body under Ministry of Science and Technology. The main objective of NRF is to serve as an overarching apex body to provide high-level strategic direction of scientific research in the country. It aims to seed, grow and promote research and development (R&D) and provide increasing role to private sector by fostering collaborations among the industry, academia, government departments and research institutions, and create an interface mechanism for participation and contribution of industries and State governments in addition to the scientific and line ministries.

(e): The government has taken up several steps to increase participation of private sector in the research and development. Some of the key steps 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 north-eastern states of India.
