

India's S&T policy should be output-driven, wealth creating and based on venture funding model: FICCI President

NEW DELHI, August 3, 2013: The President of FICCI, Ms. Naina Lal Kidwai, has suggested a three-pronged approach to take India's R&D efforts to a higher trajectory. The strategy should be to reorient the National S&T Policy which is output-driven, connect knowledge generation to wealth creation and problem solving and follow a venture funding model for private sector projects, particularly for SMEs.

Ms. Kidwai has stated that such a strategy would raise India's share in the global research output, increase private sector R&D spending and raise the country's overall spend on scientific and technological R&D from the current level of 0.98% of GDP.

The FICCI Chief pointed out that the outcomes of an output-driven S&T Policy should be measured by the amount of patents filed, number of entrepreneurs created and the export volumes realized through new innovative products.

India's public spend in R&D is less than the current average expenditure of China, South Korea and most Western countries. She has suggested that the Government should stick to its commitment for a steady increase in budget outlay for R&D and double the current investments over next 5-8 years.

Furthermore, India's private sector investment in R&D is less than 25% of overall R&D spend. Ms. Kidwai has emphasized that the Government should create an aggressive policy environment for boosting private sector investment in R&D. Apart from the existing R&D offset credit policy for industry, there should be adequate tax-breaks and a fast-track patenting facility for breakthrough innovations. The Government should also introduce legislation for allowing public sector scientists to file patents, create new enterprises and share financial returns of their inventions.

At present, there is considerable lack of industry-academia-public lab linkage in the R&D ecosystem, leading to low competitiveness. She has called for introduction of structured platforms for open collaboration between all R&D stakeholders under different S&T sectors and facilitate researcher exchange from academia and public labs to industry and vice versa to create better synergy in public-private and basic-applied R&D.

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