'R&D spend needs to be 3% of GDP'

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India must treble spending on research and development (R&D) to 3 per cent of its gross domestic product (GDP) from 0.7 per cent now, said Kris Gopalakrishnan, co-founder of Infosys, on Friday.

The private sector needs to contribute 1.5 per cent to the total R&D spending, he said during a keynote address at the Pan IIT World of Technology (PIWOT) event in Bengaluru. India doubled its R&D spending to about ₹127,380 crore in 2020-21 from ₹60,000 crore in 2010-11. However, spending as a percentage of GDP is only 0.7 per cent, said Gopalakrishnan. The number of patent applications in India grew 31.6 per cent in 2022, one of the highest in the world.

India has seen a rise in global capability centres (GCCs) in recent times, Gopalakrishnan said. Several GCCs in the country are transforming themselves to R&D hubs. Additionally, many multinational companies have their second or third largest R&D centres in India. "The IT services industry must continue to grow as that is creating job opportunities and bringing foreign exchange to the country. We must grow the product space today as it contributes about $13-$14 billion and must take it to $30 billion...We should also look at research in IT so that we can look at the next generation of AI, technologies that are going to be relevant to the industry 10 years from now. We should start working on those things

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now along with research institutions," said Gopalakrishnan. He said India has a huge role to play in the global ecosystem as it is home to almost 20 per cent of the world population.

The world is looking towards India to hire from the talent pool. "Industry involvement in research and funding is a two-way street," Gopalakrishnan said, adding that India needs to set clear goals in academic and basic research and make use of AI in R&D.