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# DAILY EDITORIAL ANALYSIS

**TOPIC** 

## INDIA'S DEEP-TECH PUSH & BUREAUCRATIC HURDLES

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#### **INDIA'S DEEP-TECH PUSH & BUREAUCRATIC HURDLES**

#### **Context**

• Recently, during India's Independence Day address, the Prime Minister urged the nation to shed its dependency and embrace technological sovereignty to lead in deep-tech innovation — spanning artificial intelligence, quantum computing, semiconductors, and space technology.

#### **About the Deep Technology**

- It refers to innovations rooted in advanced scientific and engineering breakthroughs such as AI, quantum computing, biotechnology, and space tech and of its disruptive nature.
- It often requires long development cycles, high capital investment, and rigorous validation.
- Deep tech start-ups differ from traditional start-ups primarily in their technology-driven approach, longer development cycles, and higher risk factors.
  - Traditional start-ups often rely on business model innovation, such as e-commerce, SaaS, or consumer services.

#### **India's Strengths**

- **Talent Pool:** India has world-class engineers and scientists. Many global tech firms rely on Indian talent for core R&D.
  - India ranks third globally in scientific research and has climbed from 81st to 39th in the Global Innovation Index.
- Cost Efficiency: Indian startups can innovate at lower costs, making them attractive for global partnerships.
- Government Push: Initiatives like the PLI Scheme for semiconductors and green hydrogen are helping build indigenous capabilities.

#### **Concerns & Issues in India's Deep-Tech Ecosystem**

- **Bureaucratic Bottlenecks:** India's bureaucratic machinery, rooted in colonial legacy, remains one of the biggest hurdles, as it was designed for control, not innovation.
  - Slow Decision-Making: Regulatory approvals for R&D, IP fillings, and funding disbursements are often delayed.
  - Fragmented Oversight: Deep-tech spans multiple ministries MeitY, DST, DBT, ISRO, DRDO leading to coordination challenges.
  - **Risk Aversion:** Bureaucrats are often hesitant to back experimental technologies, fearing audit scrutiny or political fallout.
- Funding Gaps & Market Failure: Deep-tech requires patient capital and long gestation periods.
  - **CSR Funds Underutilized:** India's 15,000 crore annual CSR budget could support strategic tech, but remains largely untapped.
  - Investor Hesitancy: Many investors lack the technical understanding or appetite for long-term risk.
  - India lacks a dedicated strategic fund to bridge this gap. Government missions like **IndiaAI** and **National Quantum Mission** are underfunded compared to global peers.
- Talent Drain & Research Deficit: India produces top-tier engineers and scientists, but many leave for better opportunities abroad. Domestic research budgets are meagre, and academia-industry linkages remain weak.
  - Universities don't produce research at scale.
  - IP creation is low; India often serves as the back office for global tech giants.
  - GPU clusters and advanced computing infrastructure are scarce, limiting AI and quantum research.
- Legal & Ethical Concerns: India's push into AI and surveillance tech raises serious questions about privacy and civil liberties.
  - The **Digital Personal Data Protection Act (DPDPA)** has been criticized for granting broad exemptions to the government, undermining individual rights.
  - Al-powered surveillance lacks proportional safeguards.



- Facial recognition systems are being deployed without robust legal frameworks.
- Citizens face heightened scrutiny while the state enjoys unchecked data access.
- Cultural & Strategic Misalignment: India's tech culture often prioritizes execution over invention. Quick commerce and fintech dominate, while frontier technologies remain underexplored.
  - Nationalism and proxy culture wars with tech companies distract from the real work of building foundational capabilities.
  - Deep-tech is treated as a promising sector, not core infrastructure.
  - Political theatrics sometimes overshadow policy delivery.
  - Strategic technologies are still seen as the burden of commercial industry alone.

#### **Related Efforts & Initiatives**

- **Union Budget (2025-26):** India is positioning itself as a hub for sunrise technologies with initiatives like the **Indian Semiconductor Mission** and increased R&D funding.
- **Prime Minister's Research Fellowship (PMRF):** The government is tripling intake under PMRF, aiming to support 10,000 scholars over five years.
- National Deep Tech Startup Policy (NDTSP): It is spearheaded by the Office of the Principal Scientific Adviser. It outlines over 80 policy interventions and has consulted nearly 200 experts to build a robust framework for deep-tech growth. It aims to:
  - Strengthen India's economic future through tech sovereignty;
  - Transition to a knowledge-driven economy;
  - Promote ethical innovation;
  - Support startups with funding, infrastructure, and IP protection;
- National Mission on Interdisciplinary Cyber-Physical Systems (NM-ICPS): It was launched by the Department of Science & Technology (DST) with focus on AI, robotics, autonomous systems, IoT, drones.
- Electric Vehicle Solutions Led by Startups (EVolutionS): To accelerate EV component development and build a robust supply chain.
  - Technology Business Incubators (TBIs) help startups move from prototype to product.
- Climate, Energy and Sustainable Technology (CEST) Initiatives with focus on advanced hydrogen and fuel cells, methane mitigation, carbon capture and utilization, and Al/ML-based climate prediction models etc.
- Biotechnology Industry Research Assistance Council (BIRAC) Program: It promotes biotech innovation and commercialization.
- **Anusandhan National Research Foundation (ANRF):** For high-priority deep-tech research; focusing on Electric vehicles, climate tech, and foundational science.

#### **Road Ahead**

- A dedicated 'India Strategic Fund' to bridge the gap between academic research and industrial application, similar to models in the US and Israel.
- India has the ingredients—talent, market, and policy momentum—but must overcome structural inertia. To truly compete with the US and China, it needs:
  - A cultural shift toward bold, research-driven entrepreneurship;
  - Streamlined governance and regulatory reform;
  - Stronger academia-industry linkages;
  - Deep investment in foundational technologies.

Source: IE

#### **Mains Practice Question**

**Q.** Critically examine how India's bureaucratic structure impacts the growth of its deep-tech ecosystem. In your view, what reforms are necessary to align governance with the demands of frontier innovation?