

**Title of the Project :** R&D in Private Sector industry with paid – up capital of Rs.50 lakhs and above.

**Principal Invertigation :** Prof. Y.L Nangia

**Implementing Agency :** Manpower Management Centre, BH-6C, Munirka Flats, New Delhi-97

**Year of Completion :** July 2000

**Objectives :**

To prepare a directory of industries who have a paid-up capital of Rs. 50 lakhs and above and are performing R&D activities but have so far not got themselves registered with and recognised by the DSIR. The industries which are already registered with and recognised by the DSIR for this purpose will also be included in the directory so as to make it a comprehensive list.

Study to emphasize on quantum of R&D for the industries, R&D projects sponsored by industry, major facilities set up, composition of R&D, expenditure on advertisements and the reasons of not availing DSIR recognition

**Executive Summary :**

The main objective of the study was to find out those industrial units which are carrying out R&D activities but are not recognised by DSIR. For this purpose, a questionnaire was sent out to companies having a paid-up capital of Rs. 50 lakhs and above.

1722 companies responded to the questionnaire, out of which 210 (12%) stated that they are having R&D activities. 534 (31%) indicated that they do not have separate R&D units but R&D activities are carried out through Quality Control Departments. 978 (57%) mentioned that they do not have R&D activities in their companies. These respondent companies are apart from over 1250 in-house R&D units already recognised by DSIR, set-up by various companies such as large, medium and small-scale industries.

The maximum number of companies i.e. 71 participated in this study were located in Maharashtra indicating an R&D expenditure of Rs. 160.95 crores during 1998-99.

Investment on R&D by 210 private sector industrial companies was to the tune of Rs. 412.50 crores as on 31.3.99.

Out of 210 industrial companies, 70 (33%) had joint ventures, 125 (60%) had no collaboration and 15 (7%) were having technical collaboration with foreign companies

The maximum number of companies i.e. 186 had a paid-up capital ranging between Rs.1 to 100 crores as on 1.4.1999.

Objective-wise, 51 companies stated that their R&D is related to Promotion of Industrial Development, 21 to Development of Transport and Communication, 19 to Development of Education Services and 13 to Development of Agriculture, Forestry and Fishing.

The total gross turn- over of the 210 industrial companies has come out to be Rs. 47,427/-, Rs.55,130/- and Rs.62,423/- crores respectively for the years 1996-97, 1997-98 and 1998-99.

Percentage share of advertising expenditure in terms of sales turn-over for the years 1996-97, 1997-98 and 1998-99 was 0.54%, 0.57% and 0.61% respectively.

Percentage share of expenditure for these 3 years on New Plant & Machinery in terms of sales turn over was 3.59%, 4.08% and 4.44% respectively. Similarly R&D expenditure for these years was 0.60%, 0.62% and 0.66% respectively.

The annual expenditure on R&D incurred by 210 industrial companies during 1996-97, 1997-98 and 1998-99 was Rs.284.57, Rs.341.81 and Rs.412.50 crores respectively.

On an average basis, male employment constituted of S&T, Auxiliary and Administration in R&D was about 94%, whereas female ratio was about 6% as on 1.4.99.

(At the time of submission of this report, some of the companies listed in Part-I of the Directory have obtained DSIR recognition.)