

Govt's 20k cr deep tech push: Panel flags potential of fund misuse

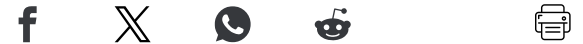
The Standing Committee on Science and Technology, Environment, Forests and Climate Change, in its report on the demand for grants by various science departments, said it acknowledged the bold initiatives of the Government to encourage cutting-edge research.

Written by [Anonna Dutt](#) [Follow](#)

New Delhi | Updated: March 26, 2025 06:01 IST



 3 min read





The committee recommended proactively working to secure revival packages for both.

A Parliamentary Standing Committee has said that the Government's plan of allocating Rs 20,000 crore as 50-year interest-free loan to deep tech sectors is fraught with the "possibility of private entities benefiting disproportionately at the Government's expense."

The Standing Committee on Science and Technology, Environment, Forests and Climate Change, in its report on the demand for grants by various science departments, said it **acknowledged the bold initiatives of the Government to encourage cutting-edge research. But it flagged a potential for misallocation of funds in the proposed scheme, its implication for national security, and the limited rate of return on investment,**

It **also questioned the competence of fund managers in identifying suitable recipients and impactful projects.** "... such a substantial allocation of funds could have yielded a significant impact if directed towards government institutions," the report said, **adding that the government should consider these apprehensions while formulating detailed framework and guidelines for implementing the scheme.**

Also Read | OpenAI COO to lead global growth push in expanded role, Altman says

Deep tech refers to advanced and disruptive technologies, many of which are still under development, that have the potential to trigger transformative change across sectors, including Defence. In her [Budget](#) speech in February, Finance Minister [Nirmala Sitharaman](#) allocated `20,000 crore for private sector-driven research.

Meanwhile, on the Department of Scientific and Industrial Research, **the committee noted "sub-optimal utilisation of funds", with over half remaining unutilised as the current financial year enters its final quarter, but supported the department's request for additional allocation of `363.9 crore.**

The department informed the committee that in 2024-25, it **spent 62% of the allocated funds on pensions and salaries, 7% on capacity-building initiatives such as Junior Research Fellowships (JRF), Senior Research Fellowships (SRF) and PhD programmes, leaving only 31% for research.** "This leaves minimal scope for addressing infrastructure deficits or scaling innovation," the department said.

Also Read | Delhi Budget: '60 CM Shri' schools, laptops to high-scorers in Class X, new promises for education sector

The committee supported the department's proposal to set up a closed-circuit trisonic wind tunnel at the cost of `3,100 crore. "The committee also notes the critical necessity of establishing a National Wind Tunnel Facility to replace the existing 63-year-old wind tunnel, which has played a pivotal role in satellite testing, including for [Chandrayaan-3](#)," the committee said.

On the Department of Biotechnology, the committee expressed concern over the current state of two of its public sector undertakings (PSUs) — BIBCOL and IVCOL. "Reviving these PSUs would not only contribute to ensuring affordable vaccine availability for citizens but also position them as key players in the global vaccine market. Once operational, these PSUs can leverage their infrastructure to support vaccine exports," the report said.

The committee recommended proactively working to secure revival packages for both.

**Anonna Dutt**[Follow](#)

Anonna Dutt is a Principal Correspondent who writes primarily on health at the Indian Express. She reports on myriad topics ranging from the growing burden of non-communicable diseases such as diabetes and hypertension to the problems with pervasive infectious conditions. She

[... Read More](#)

© The Indian Express Pvt Ltd

This article went live on March twenty-sixth, twenty twenty-five, at thirty minutes past four in the morning.