

**SPEECH BY THE PRESIDENT OF INDIA, SHRI PRANAB
MUKHERJEE AT THE RAPPORTEURS' SUMMARIZATION IN
THE GLOBAL ROUNDTABLE ON INCLUSIVE
INNOVATIONS**

West Hall, RBCC: Mar 12, 2016

I extend a very warm welcome to the delegates for the Festival of Innovation, 2016 and the Global Roundtable on Inclusive Innovations. I am delighted to see that the Roundtable has once again attracted an impressive galaxy of scholars, practitioners and thinkers from around the world and India.

2. We are all gathered here today at a very important phase in India's socio-economic development. The Indian economy today needs to generate 115 million non-farm jobs over the next decade, to gainfully employ its workforce and reap its 'demographic dividend'. Given this context, encouraging and promoting self-employment as a career option for young people will be of paramount importance.

3. A culture of innovation and entrepreneurship needs to be institutionalized as part of our socio-economic eco-system. Innovation and entrepreneurship needs to be inclusive and focus on a variety of enterprises, such as young technology firms, upcoming manufacturing businesses and rural innovator companies. We, as a nation, need a model that draws in the 350-400 million people who currently reside outside mainstream

society. The launch of the Start-up India programme by the Government indicates our commitment towards harnessing the brilliance and creativity of our young minds for the larger benefit of society and the nation. I am confident that the recommendations made by the participants of the Roundtable will further help us in concretizing our plan of action.

Ladies and Gentlemen:

4. Policy makers in India are confronted with the challenge of boosting economic growth while at the same time making it socially inclusive. Addressing high levels of poverty remains critical. Innovation is a driver of income growth, which under certain conditions benefits everybody in society, but which under different conditions might reinforce social exclusion. We, therefore, need to focus on “inclusive innovation” projects which are initiatives that directly serve the welfare of lower-income and excluded groups. Inclusive innovations often modify existing technologies, products or services to better meet the needs of those groups. Inclusive innovation will only be successful if it reaches a much larger segment of the poor and excluded population than it currently does. Scaling up of these processes would require initiatives that are built around: a) financially sustainable business models; and b) participation by lower-income and excluded groups.

5. Entrepreneurs play an important role in the economic development of a country. Successful entrepreneurs innovate, bring new products and concepts to the market, improve market efficiency, build wealth, create jobs, and enhance economic growth. While we celebrate the success of several new ventures in e-commerce, information technology and mobile telephony, these will not suffice to deliver our aggregate growth expectations. India will have to encourage creation of new SMEs focused on manufacturing, while spurring grassroots innovation and growth. Putting entrepreneurship at the forefront of the economic agenda is, thus, the need of the hour.

Ladies and Gentlemen:

6. Over the years technology has become disruptive and innovation has played a major role in technological breakthroughs through product, service and process related innovations. In that context, I had in January this year, the privilege of hosting Indian-American entrepreneurs from the Silicon Valley. In the presentations that they made before me, the one underlying message that emerged was the need for formulation of a comprehensive policy framework which will encourage investment in innovation, give impetus to research and create an enabling environment for entrepreneurship. A strong case was presented for creating business dynamism which will allow new firms to scale or fail and make it easy for unproductive firms to exit. The need to focus on a strong digital innovation agenda and a broad and inclusive skills strategy was also felt.

7. I am happy to state that Government today is actively working towards implementing this very agenda through a range of policy measures such as the Skill India programme, the Make in India programme, the Digital India programme, the 'Start-up India, Stand-up India' programme and Atal Innovation Mission. I am confident that these policy interventions will give a new vibrancy to the Indian entrepreneurial landscape.

8. I would, on this occasion, also like to highlight the low levels of investment by Indian firms and businesses in R&D. Our current investment levels in R&D are but a fraction of what world class companies spend. Even here, the major contributor of R&D expenditure is the Government. Without a substantive stepping up of these expenditures, we cannot expect to be at the higher end of the value chain. I take this opportunity to call upon the private sector and institutes of higher learning to devote a larger part of their resources for R&D to enable innovation and job creation across the economy.

Ladies and Gentlemen:

9. The educational system and, in particular, students play a very critical role in the innovation eco-system of a country. Many of the advanced nations have capitalized on their educational network to assume leadership positions in the area of innovation, start-ups and research. India with an educational network of over 700 universities and 35,000 colleges is optimally placed to capitalize on its intellectual seed capital. In the conference of vice chancellors of central universities in 2013, I had called upon them to consider setting up innovation clubs that would act as a platform for exchange of ideas between the students and faculty, and grassroots innovators. I have reiterated this call in the conferences of heads of other central institutes of higher learning held subsequently. In the last three years, innovation clubs, incubators and hubs have been set up in around 85 central higher educational institutions. In the Visitor's Conference held in November last year and the Governor's Conference in February this year, I have requested the Vice Chancellors of Central Universities and Directors of NITs, IITs and IISERs as also Governors, who are the Chancellors of State Universities, to work on innovation as a theme in their respective educational institutions and facilitate transformation of ideas into innovative products and services.

Ladies and Gentlemen:

10. Societies, as they evolve, always face challenges which they have to overcome using innovative and 'out-of-the-box' approaches. As I conclude, I would like to leave with you some thoughts on the challenges that we face today in creating a

viable entrepreneurial eco-system. You may, perhaps, like to deliberate on these:

- The challenge of engaging young minds constructively and ensuring that growth is job-led and not jobless.
- The challenge of using Science and Technology to improve productivity and entrepreneurship leading to sustainable development.
- The challenge of inter-linking academia with industry and other stakeholders.
- The challenge of providing incubation, acceleration and public policy support for inclusive innovation.
- The challenge of reaching out to, and co-opting, in the developmental process those segments of society which have been traditionally excluded because of social, economic and spatial disadvantages.
- The challenge of creating new financial instruments for the entrepreneurial class, instruments which aid and enhance their risk taking capabilities.
- The challenge of evolving new institutional arrangements for harnessing the power of collaborative design and creation of solutions to cater to unmet social needs.
- The challenge of harnessing the traditional knowledge systems of our country as well as other developing countries where such knowledge still exists to create global public goods as well as IP protected products and services.

Ladies and Gentlemen:

11. I wish you all the best for your interactions at the Roundtable. I am sure that these will result in recommendations which are both focused and goal oriented. I also take this opportunity to wish you a pleasant stay in Delhi and invite you to visit the famed Mughal Gardens which are currently in bloom.

Thank you.

Jai Hind!
