

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 3921
ANSWERED ON 04TH APRIL, 2025

UNUTILIZATION OF ALLOCATED FUNDS FOR FOOD PROCESSING SCHEMES

3921. SHRI K.R. SURESH REDDY:

Will the Minister of *FOOD PROCESSING INDUSTRIES* be pleased to state:

- (a) whether it is a fact that a significant portion of the allocated funds under Pradhan Mantri Kisan Sampada Yojana (PMKSY) and other schemes remains unutilized due to bureaucratic inefficiencies;
- (b) if so, the amount of funds that remained unspent during the last three financial years; and
- (c) the corrective measures being taken to ensure full utilization of allocated funds?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SHRI RAVNEET SINGH)

(a) to (c) : In order to promote and ensure overall development of Food Processing Industries, Ministry of Food Processing Industries (MoFPI) has been incentivizing setting up/ expansion of related infrastructure through its Central Sector “Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) Scheme”, Central Sector “Production Linked Incentive Scheme for Food Processing Industry (PLISFPI)” and Centrally sponsored “PM Formalization of Micro Food Processing Enterprises (PMFME)” Scheme across the country. These schemes are not region specific but demand driven.

Under PMKSY, credit linked financial assistance (capital subsidy) is provided to entrepreneurs for setting up of food processing industries with total outlay of Rs 5520 Cr for 15th Finance Commission Cycle.

Under PMFME scheme, financial, technical and business support is provided for setting up / upgradation of micro food processing enterprises. The scheme is operational for a period of upto 2025-26 with an outlay of Rs.10,000 Crore.

PLISFPI is, inter alia, intended to support creation of global food manufacturing champions and support Indian brands of food products in international market. The Scheme is operational for a period from 2021-22 to 2026-27 with an outlay of Rs. 10,900 crores.

Year-wise total allocation & funds utilized schemes of MoFPI since 2021-22 are at **Annexure**. The utilization of funds against RE during the last three years is 87.46% in 2021-22, 75.21% in 2022-23 and 75.53 % in 2023-24 respectively. Further, difficulty in getting sufficient number of eligible proposals for release of funds under Scheduled Castes Sub-Plan (SCSP), Tribal Sub-Plan (TSP) and North Eastern Region (NER) heads are the main reason for inability to fully utilize the funds under scheme heads. Ministry has mostly exhausted funds available under General Head of the schemes.

In order to address these issues, Ministry has made preferential provisions in the guidelines of schemes. Ministry is regularly conducting virtual/ physical meetings with promoters/investors to assess the implementation of sanctioned projects and to find out issues/problems being faced by them. Ministry also writes letters to State governments, if required, to help promoters/Implementing Agencies in getting statutory approvals in a timely manner and to avoid unnecessary delay in implementation.

ANNEXURE REFERRED TO IN REPLY TO PART (a) TO (c) OF RAJYA SABHA UNSTARRED QUESTION NO. 3921 FOR ANSWER ON 04TH APRIL, 2025 REGARDING “UNUTILIZATION OF ALLOCATED FUNDS FOR FOOD PROCESSING SCHEMES”

Details of funds allocated and funds utilized in the schemes of MoFPI

(Rs in Crores)

Year	2021-22			2022-23			2023-24		
Scheme	R.E.	A.E.	NUF	R.E.	A.E.	NUF	R.E.	A.E.	NUF
PMKSY	791	713.49	77.51	673	561.92	111.08	745	666.21	78.79
PLISFPI	10	7.38	2.65	801	489.83	311.17	1150	590.45	559.55
PMFME	399	328.70	70.30	290	275.06	14.94	800	779.06	20.94
Total	1200	1049.57	150.46	1764	1326.81	437.19	2695	2035.72	659.28

R.E.—Revised Estimates, A.E.- Actual Expenditure, NUF- Non-utilized fund
