

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 1351
ANSWERED ON 02ND AUGUST. 2024

**ALLOCATION AND UTILIZATION OF FUNDS UNDER PMKSY IN
KARNATAKA**

1351. SHRI IRANNA KADADI:

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

- (a) the objectives and key components of the Pradhan Mantri Kisan Sampada Yojana (PMKSY);
- (b) the allocation and utilization of funds under PMKSY for enhancing infrastructure in the food processing sectors particularly in Karnataka;
- (c) the impact assessment of PMKSY on employment generation and income enhancement in rural areas through food processing activities; and
- (d) the challenges faced in implementing PMKSY initiatives in the food processing industry, and the steps taken to overcome these challenges?

ANSWER

THE MINISTER OF FOOD PROCESSING INDUSTRIES
(SHRI CHIRAG PASWAN)

(a) & (b) The Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) was envisaged as a comprehensive package which will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. It will not only provide a big boost to the growth of food processing sector in the country but also help in providing better returns to farmers and is a big step towards increasing farmers income, creating employment opportunities especially in the rural areas, reducing wastage of agricultural produce, increasing the processing level and enhancing the export of the processed foods. The component schemes under PMKSY are as under:

- (i) Infrastructure for Agro-Processing Clusters (APC Scheme)
- (ii) Creation/Expansion of Food Processing & Preservation Capacities (CEFPPC Scheme)
- (iii) Creation of Backward & Forward Linkages (CBFL Scheme) – **discontinued w.e.f. 01.04.2021**
- (iv) Mega Food Parks (MFP Scheme) – **discontinued w.e.f. 01.04.2021**
- (v) Operation Green (OG Scheme)
- (vi) Integrated Cold Chain & Value Addition Infrastructure (ICC & VAI Scheme)
- (vii) Food Testing Lab (FTL Scheme)
- (viii) Research & Development (R&D Scheme)

The allocation and utilization of funds of PMKSY since its inception in May 2017 to 30th June 2024 under the PMKSY Scheme are as below:

State	Allocation of Funds (Rs. in crore)	Utilisation of Funds (Rs. in crore)
Karnataka	487.304	353.56725
All states including Karnataka	7458.8171	4282.3292

(c) An impact assessment has not been conducted for all the component schemes of PMKSY in its entirety. However, as of 30th June 2024, a total of 1680 food processing projects have been approved across the country with the objectives of creating employment opportunities and enhancing incomes.

(d) Major challenges faced in implementing PMKSY initiatives in the food processing industry include gaps in supply chain infrastructure which means inadequate primary processing, storage and distribution facilities; delay in obtaining mandatory statutory approvals like Change in Land Use (CLU), Certificate for Non encumbrance & contiguous land, approval of building layout from state town & country planning, Consent to Establish (CTE) etc and Insufficient connection between production and processing facilities.

Ministry has taken many steps to overcome these challenges which include monitoring by PMA through regular interaction with Special Purpose Vehicle/Project Implementing Agency (SPV/PIA) and site visits; the PMA and Ministry also obtain progress reports from the SPV/PIA as and when required other than the monthly progress reports; monitoring of progress by holding Review Meetings at regular intervals; making suitable amendments to the scheme and its guidelines as and when required based on the experience gained during the implementation process and consultations held with the stakeholders and taking suitable action including imposition of penalty and cancellation of the projects unable to show the required pace of implementation.
