

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 4459**  
TO BE ANSWERED ON 27<sup>TH</sup> MARCH, 2025

**BUDGETARY ALLOCATION FOR PLI SCHEME**

**4459. SHRI ANTO ANTONY**

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

- (a) the reasons for the decline in the budgetary allocation of the Union Budget 2025-26 under the Production-Linked Incentive (PLI) Scheme for the Food Processing Industries;
- (b) the reasons for decline in the revised estimates of the scheme during FY 2024-25;
- (c) whether the Government is planning to decrease the minimum expenditure cap of Rs. 5 crore for these industries, if so, the details thereof; and
- (d) the measures being planned by the Government to benefit the smaller food processing industries through this scheme?

**ANSWER**

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

**(a) and (b):** Under Production Linked Incentive Scheme for Food Processing Industry (PLISFPI), the Applicants are required to meet key conditions to become eligible for incentive – Compound Annual Growth Rate (CAGR) in Sales, Investment completion by 31.03.2024 and condition regarding non-usage of imported raw materials in the products. On scrutiny of the claims it is found that not all applicants fulfil the key conditions as per the provisions of the scheme. Keeping in view the trends of amounts of incentive released in FY 22-23 and FY 23-24, the revised estimates for FY 2024-25 and budget estimates for FY 2025-26 have been decided.

**(c):** There is no such proposal under consideration.

**(d):** The Government actively supports Small and Medium Enterprises (SMEs) in the food processing sector through this scheme. Under the PLI scheme, a significant proportion of beneficiaries are Micro Small and Medium Enterprises (MSMEs), with 70 MSMEs directly enrolled and 40 others contributing as contract manufacturers for larger companies.

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