

GOVERNMENT OF INDIA  
MINISTRY OF TOURISM

RAJYA SABHA  
UNSTARRED QUESTION NO.1415  
ANSWERED ON 31.07.2025

UNDERUTILISATION OF FUNDS

1415 SHRI S NIRANJAN REDDY:

Will the Minister of **TOURISM** be pleased to state:

- (a) whether it is a fact that only about one-third of the allocated funds for 2023-24 and less than one-sixth for 2024-25 have been utilized by the Ministry, if so, the reasons for such chronic underutilization;
- (b) whether the Ministry proposes to adopt an Integrated Digital Project Management System (IDPMS), as recommended by the Parliamentary Standing Committee, to address procedural delays and enhance real-time monitoring; and
- (c) the steps taken to resolve administrative bottlenecks and coordination issues with implementing agencies?

ANSWER

THE MINISTER OF TOURISM

(SHRI GAJENDRA SINGH SHEKHAWAT)

(a): The Budget allocations and actual expenditure for the Financial Years 2023-24 and 2024-25 for Ministry of Tourism are as under: -

(Rs. in crore)			
Financial Year	Budget Estimates	Revised Estimates	Actual Expenditure
2023-24	2400.00	1692.10	801.81
2024-25	2479.62	850.36	449.14

It is evident from the above that the shortfall in fund utilization vis-à-vis the Revised Estimates (RE) is approximately half of the RE in both years and not as significant as indicated. The key reasons for underutilisation across schemes are as follows:

- i. **Transition and procedural changes:** Migration to new systems such as the revamped Swadesh Darshan 2.0, Challenge-Based Destination Development (CBDD) and the adoption of the Treasury Single Account (TSA-1) model required time for alignment by both the Ministry and States, delaying fund utilization.
- ii. **Implementation dependencies:** Many schemes are implemented through State Governments, Central Agencies or Autonomous Bodies. Delays occurred due to factors such as slow tendering processes, inadequate project pipeline initially, capacity constraints, non-submission of utilization certificates and delays in required documentation.
- iii. **System-level constraints:** Restrictions under the Central Nodal Agency (CNA) framework (e.g., limits on fund availability at a given time), integration of multiple

agencies into PFMS and effort required in switching from older accounting systems impacted the pace of fund flow and usage.

- iv. **On-ground execution issues:** Several projects faced local challenges like non-availability of basic utilities, delays in approvals or handovers and site-specific implementation hurdles.

Notably, there was no significant underutilization with respect to Revised Estimates of the respective years under the Overseas Promotion and Publicity (OPP) and Domestic Promotion and Publicity including Hospitality (DPPH) schemes, where funds were largely utilized as per or beyond planned benchmarks.

(b): Presently, there is no proposal under consideration in the Ministry of Tourism to adopt an Integrated Digital Project Management System (IDPMS), as recommended by the Parliamentary Standing Committee.

(c): To address administrative bottlenecks and improve coordination with implementing agencies, the Ministry of Tourism has taken several proactive measures across its schemes:

- i. **Creation of a robust pipeline of new projects:** As part of the SD 2.0, the Ministry of Tourism in last 2 financial years has now sanctioned 52 projects for Rs. 2108.87 crore. In addition, the Ministry of Tourism under Challenge Based Destination Development (CBDD) – a sub-scheme of Swadesh Darshan has also sanctioned 36 projects for Rs. 648.10 crore. This has now resulted in creation of a robust pipeline of new projects.
- ii. **Improved fund flow mechanisms:** After resolving the initial challenges in implementing the Treasury Single Account (TSA) system, the mechanism has significantly streamlined fund disbursement and accelerated project execution across the schemes.
- iii. **Enhanced monitoring and coordination:** The Ministry conducts regular review meetings, consultations, and follow-ups with State/UT Governments, implementing agencies, and other stakeholders to monitor project progress, resolve issues, and ensure timely execution. Committees like the Central Sanctioning and Monitoring Committee and Mission Directorate are engaged as required.
- iv. **Accountability measures for implementing agencies:** Implementing bodies such as IHMs, NCHMCT, and IITTM are required to submit written undertakings to utilize funds within a specified timeframe (typically three months). Fund release is now better aligned with actual fund absorption capacity.
- v. **Readiness for fund utilization:** For schemes like Capacity Building for Service Providers (CBSP), adequate proposals are in place to meet planned expenditure, with a provision to seek additional funds at the Revised Estimates stage if necessary.

These steps collectively aim to strengthen project implementation, ensure timely fund utilization, and minimize administrative delays.

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