GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 910
TO BE ANSWERED ON 28.07.2025

CLUSTER DEVELOPMENT APPROACH FOR MSMEs

910. DR. DHARMASTHALA VEERENDRA HEGGADE:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether Government has adopted cluster development approach for the overall development of Micro, Small and Medium Enterprises (MSMEs) in the country;

(b) if so, the details thereof and the criteria fixed for selection of locations for the said purpose;

(c) the details of MSME clusters proposed in the State of Karnataka along with the details of the functional clusters; and

(d) whether Government proposes to set up such clusters in industrially backward districts of Karnataka, viz. Bidar, Koppal, Raichur, Yadgir, Chitradurga, Gadag and Chamarajanagar and if so, the details thereof?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a) & (b): Ministry of MSME is implementing Micro and Small Enterprises - Cluster Development Programme (MSE-CDP) across the country. The objective of the scheme is to enhance the productivity and competitiveness of Micro and Small Enterprises (MSEs) for their holistic development adopting cluster development approach. The scheme provides financial assistanceasGol grant to (1) establish Common Facility Centers (CFCs) in the existing MSME clusters and (2) establish/up-grade infrastructural facilities in new/existing industrial estates/areas/flatted factory complexes. *This is Central Sector Scheme* and proposals under the scheme are received from the State/UTGovernments to address the common needs of existing cluster in their States/UTs.

(c): The Progress of scheme in Karnataka since the inceptionof scheme is appended below:

Common Facility Centres (CFCs)			**Infrastructure Development (ID) Projects**		
Approved	**Ongoing**	**Completed**	**Approved**	**Ongoing**	**Completed**
25	12	13	05	01	04

(d): MSE-CDP is demand driven scheme. Three proposals of Common Facility Centres (CFCs) in industrially backward Districts of Karnataka have beenapproved under the scheme. The details are at *Annexure*.

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Annexure

Annexure referred to in reply of part (d) of Rajya Sabha Unstarred Question No.910 for answer on 28.07.2025.

The details of three (03) approved proposals of Common Facility Centres (CFCs) in industrially backward Districts of Karnataka State under MSE-CDP is given below -

Completed Common Facility Centres (02 nos.):--

S. No.	Name of the Clusters	District
1.	Auto Cluster, Bidar	Bidar
2.	Global Puffed Rice Cluster, Chitradurga	Chitradurga

Ongoing Common Facility Centre (01 no.):--

S. No.	Name of the Clusters	District
1.	Spices Manufacturing Cluster, Gadag **(Aspirational District)**	Gadag