

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 747
TO BE ANSWERED ON 23.07.2026

DEVELOPMENT OF MSME CLUSTERS

747. THIRU D M KATHIR ANAND:

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

- (a) whether the Government has reviewed the performance, challenges and growth potential of Micro, Small and Medium Enterprises (MSMEs) clusters functioning in Vellore district of Tamil Nadu, particularly those engaged in leather products, engineering goods and allied manufacturing activities and their contribution to employment and local industrial development and if so, the details thereof,
- (b) the findings of assessments conducted regarding infrastructure gaps, technology adoption, market access, credit availability, skill requirements and competitiveness of MSMEs in the district;
- (c) the initiatives implemented and proposed to be implemented for strengthening cluster infrastructure, facilitating digitalisation, technology upgradation, market linkages and productivity improvement of MSMEs;
- (d) the details of funds approved, released and utilised under various MSME schemes from 2017-18 onwards, scheme-wise and year-wise; and
- (e) the outcomes achieved in terms of enterprise growth, employment generation, exports, investment mobilisation and expansion of MSME activities in Vellore district?

ANSWER

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

(a) to (c): The Micro and Small Enterprises-Cluster Development Programme (MSE-CDP) scheme is demand-driven Central Sector Scheme and proposals recommended by State Governments are considered for assistance as per the extant guidelines of the scheme.

The proposals received from State Government are appraised with reference to Challenges faced, infrastructure requirements, technology upgradation requirements, common facilities requirements, productivity improvement requirements, quality improvement requirements and testing facilities requirements etc in the cluster before it is considered for approval.

Under MSE-CDP, One CFC in Engineering Cluster at district Vellore has been completed. In addition, four Infrastructure Development projects in Vellore district have also been completed.

(d): The details of funds approved, released and utilised under MSE-CDP 2017-18 onwards is as under:

Year	(Rs in Crore)
2017-18	157.11
2018-19	172.73
2019-20	226.33
2020-21	116.28
2021-22	135.59
2022-23	119.54
2023-24	178.96
2024-25	291.62
2025-26	299.941

(e): As per the Evaluation Study conducted by the National Productivity Council (NPC), the MSE-CDP has contributed to improvement in productivity, quality, technology adoption and competitiveness of Micro and Small Enterprises through creation of common facilities and infrastructure. The Scheme has also facilitated value addition, employment generation and enhanced market access for beneficiary enterprises. The impact varies across clusters depending upon the nature of the project and utilization of the facilities created.
