

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:1093
ANSWERED ON:02.03.2015
PROMOTION OF MSME CLUSTERS
Pradhan Shri Nagendra Kumar

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

- (a) whether the Government has adopted the cluster approach for holistic development of Micro, Small and Medium Enterprises in the country;
- (b) if so, the details thereof and the criteria fixed for selection of locations for the said purpose ; and
- (c) whether any funds have been allocated / sanctioned and released for the purpose during the current year and if so, the details thereof, State/UT-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI GIRIRAJ SINGH)

(a) & (b): Yes, Madam. The Ministry of Micro, Small and Medium Enterprises has adopted cluster development approach as a key strategy for enhancing productivity and competitiveness as well as capacity building of Micro & Small Enterprises (MSEs) through implementation of two important schemes (i) Micro and Small Enterprises - Cluster Development Programme (MSE-CDP) and (ii) Scheme of Fund for Regeneration of Traditional Industries (SFURTI).

The objectives of the scheme under MSE-CDP are to support the sustainability and growth of MSEs by addressing common issues such as improvement of technology, skills and quality, market access, access to capital, etc., build capacity of MSEs for common supportive action, create/upgrade infrastructural facilities in the new/existing industrial areas/ clusters of MSEs and to set up common facility centres (for testing, training centre, raw material depot, effluent treatment, complementing production processes, etc.).

Under the Scheme of Fund for regeneration of Traditional Industries (SFURTI) the objectives are to organize the traditional industries and artisans into clusters to make them competitive and provide support for their long term sustainability and economy of scale by imparting necessary skills, improvement in marketing infrastructure, by making provision for common facilities centre and providing improved tools and equipments for artisans etc.

There are no criteria fixed for selection of location for the said purpose as the schemes are demand driven and depend upon the availability of clusters.

(c): The funds allocated /sanctioned under MSE – CDP and SFURTI Scheme are enclosed as Annexure-I and II respectively.