

OPPORTUNITY INFRASTRUCTURE

Common Facility Centre (CFC) under SFURTI

WHAT THIS INSTITUTION IS

A Common Facility Centre (CFC) is a shared production and support facility built for clusters of traditional industry artisans and workers. If a district has a concentration of people working in khadi, handloom, bamboo craft, pottery, coir, food processing, or similar traditional industries, a CFC provides them access to modern equipment, training, design support, and marketing assistance that individual artisans cannot afford. CFCs are built under the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) programme of the Ministry of Micro, Small and Medium Enterprise (MSME). Not every district has one – they exist only where traditional industry clusters have been identified and an implementing agency approved.

WHY THIS MATTERS TO YOU

If you are a traditional artisan or work in a local craft industry, a CFC in your area means access to better equipment, training, raw materials at lower cost, and help selling your products in bigger markets – all without having to invest individually in expensive machinery.

GOVERNANCE

LAW / POLICY	SCOPE
SFURTI Guidelines (Ministry of MSME)	Cluster identification, CFC establishment, grant structure, Special Purpose Vehicle (SPV) formation
Khadi and Village Industries Commission (KVIC) Act, 1956	KVIC is a nodal agency for khadi and village industry clusters
MSMED Act, 2006	Framework for MSME support including traditional industries

- **Centre:** Ministry of MSME (scheme design and funds) → KVIC and Coir Board (nodal agencies)
- **Implementation:** Implementing Agency (IA – NGO, trust, cooperative, or producer company) → Special Purpose Vehicle (SPV – society or Section 8 company formed for the cluster)
- **Ground:** Cluster Development Executive (CDE) manages daily operations
- **Working Committee at the cluster level** – composition: IA rep + bank rep + 3 artisans (nominated by SPV) + Nodal Agency rep + Technical Agency rep + MSME Development Institute (MSME-DI) + GM District Industries Centre (DIC). Meets monthly
- **Mandatory display at CFC:** An Information & Communication Matrix is mandated at every CFC, displaying cluster identity, scheme details, governance contacts, artisan list, and grievance escalation. Full element list in SFURTI Guidelines
- **SPV surplus distribution:** at most 10% of SPV surplus may go to the IA; at least 90% must be shared between the artisans and reinvestment in the cluster, with at least 60% going directly to the artisans. Variation within the 90% split is at the SPV Governing Body's discretion, with intimation to the Ministry
- **Funding:** Hard interventions funded 95% (NER, J&K, hill states) or 90% (others); IA contributes the balance in cash. Two cluster categories – Regular Clusters (up to 500 artisans, up to Rs 2.5 crore) and Major Clusters (more than 500 artisans, up to Rs 5 crore). Total assistance per project capped at Rs 5 crore



KEY POSITIONS

POSITION	RESPONSIBILITY
Cluster Development Executive (CDE)	Day-to-day CFC management; coordinates training, production, artisan engagement
SPV Board Members	Governance body including lead artisans and IA representatives
Trainers / Master Craftspersons	Skill upgradation training; may be external experts or local artisans
Implementing Agency Representatives	Oversee the project; may visit periodically

MANDATED SERVICES

- Common production/processing facility with modern equipment that individual artisans cannot afford
- Raw Material Bank for bulk procurement at lower cost
- Skill development and training: workshops for artisan upgradation, design, new technology
- Design and product development: professional inputs, testing, quality improvement, packaging
- Marketing and market linkage: common branding, exhibitions, online presence, connections to buyers
- Business support: Udyam registration for artisans, credit linkage (Mudra, bank loans), certification (FSSAI, BIS)
- **IA obligations for every artisan at the CFC:** bank account opening under PMJDY, enrolment under PMJJBY and PMSBY, Aadhaar-based identity cards, and exposure visits

LINKED SCHEMES

- **Prime Minister's Employment Generation Programme (PMEGP)** – loans for setting up individual or group enterprises within the cluster
- **Mudra Yojana** – micro-finance for artisans starting or expanding enterprises
- **Udyam Registration** – MSME registration unlocking access to government schemes
- **One District One Product (ODOP)** – product promotion aligned to district identity
- **GeM (Government e-Marketplace)** – government procurement of cluster products
- **GI (Geographical Indication)** – product certification for GI-eligible cluster products

HOW TO LOCATE

Portal: sfurti.msme.gov.in. The functional-cluster list with Implementing Agency details is at sfurti.msme.gov.in/SFURTI/Reports/DPR_Functional_Upto.aspx. Also check kvic.gov.in for khadi and village industry clusters

Also: Ask at the DIC or District Collectorate; ask local artisan communities directly – weavers, potters, bamboo workers will know if a CFC exists

KEY FACILITIES

A functioning CFC should have: a production/processing hall with installed and operational machinery, a raw material storage area, a training room for skill and design workshops, a display or sales centre for products, office space for the CDE and SPV, and a packaging unit for finished products.



WHAT A FUNCTIONING CFC LOOKS LIKE

- The CFC is physically operational with machinery in use and artisans present
- The Raw Material Bank is stocked and artisans are purchasing from it
- Training or design workshops have been conducted in the last 6 months
- Products are displayed and available to buyers, with sales beyond the local market
- The SPV is formed and registered with artisan representation on the board
- Artisans in the cluster have Udyam registration and access to credit
- Artisans can confirm receipt of their surplus share
- The Information & Communication Matrix board is displayed and current
- Meeting records of the Working Committee are maintained
- 100% of artisans hold SPV shares (with at least 2/3 of shareholders on the Governing Board)
- Artisans are enrolled in PMJDY, PMJJBY, PMSBY and APY

GRIEVANCE REDRESSAL

During service delivery. The first point of contact is the Cluster Development Executive (CDE), with the SPV Board as a peer escalation. The Working Committee at district level is the formal review forum. Artisans can also raise concerns with the IA directly.

After service. Escalation is to the Implementing Agency (IA) head, the Nodal Agency (KVIC or Coir Board), and the Ministry of MSME's SFURTI division. The District Collector has administrative oversight.

External. CHAMPIONS (champions.gov.in) is the Ministry of MSME's grievance portal and the primary escalation. Centralised Public Grievance Redress and Monitoring System (CPGRAMS) (pgportal.gov.in) handles central-ministry complaints. KVIC has its own grievance channel at kviconline.gov.in. For bank-linkage issues affecting artisans (MUDRA / bank loans / account opening under PMJDY), the Banking Ombudsman at cms.rbi.org.in has jurisdiction.

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C. Livelihood and Enterprise Support
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