

Textile Cluster Development Scheme (TCDS)

1.Introduction

The Textile Cluster Development Scheme (TCDS) is a central-sector scheme of the Ministry of Textiles, aimed at transforming existing textile clusters into efficient, competitive, technology-enabled ecosystems. It supports small and medium textile units (MSMEs) by providing shared infrastructure and improving supply-chain efficiency.

2. Objectives

- Develop integrated and sustainable textile clusters across India.
- Strengthen MSMEs through common infrastructure, shared facilities, and improved logistics.
- Enhance productivity, competitiveness, and economies of scale.
- Promote modern technology, better market linkages, and skill development.
- Generate employment and support balanced regional growth.

3. Key Features of TCDS

- **Shared Infrastructure Support:**
Common Facility Centres (CFCs), processing units, testing labs, design centres, warehousing, and logistics.
- **Cluster Upgradation:**
Modernizing existing clusters with upgraded machinery, digital systems, and energy-efficient operations.
- **Soft Interventions:**
Training, capacity building, branding, quality certification, and business development support.
- **Hard Interventions:**
Physical infrastructure: roads, power, water supply, dyeing units, effluent treatment plants (ETPs), and plug-and-play sheds.

4. Financial Outlay & Implementation (Latest Updates)

- Total outlay: ₹853 crore.
- Implementation period: Up to FY 2025-26.
- Funds released (2024–25): Approx. ₹34 crore.
- Employment generated so far: Around 1.2 lakh jobs across clusters.

5. Expected Impact

- Lower production cost due to economies of scale.
- Faster adoption of modern technology and improved product quality.
- Stronger competitiveness in domestic and export markets.
- Increased formal employment in textile hubs.
- Improved environmental compliance through shared ETPs and cleaner production systems.