

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 1235
TO BE ANSWERED ON 10.03.2025

PROMOTION OF CIRCULAR ECONOMY IN MSMEs SECTOR

1235. SHRI K. R. SURESH REDDY:

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

- (a) whether the MSE Scheme for Promotion and Investment in Circular Economy (MSE SPICE) has been implemented to encourage Micro, Small and Medium Enterprises (MSMEs) to adopt Circular Economy principles;
- (b) if so, details of the scheme and the number of MSMEs benefited so far, State-wise including the State of Telangana;
- (c) whether specific sectors for waste recycling and CE projects have been identified under the scheme, the details thereof; and
- (d) steps being taken to ensure effective implementation and monitoring of the scheme, including the role of SIDBI and other financial institutions?

ANSWER

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

(a) to (c): Yes, the Ministry of Micro, Small and Medium Enterprises is implementing Scheme for Promotion and Investment in Circular Economy (MSE-SPICE) to encourage UDYAM registered Micro and Small Enterprises (MSEs) to adopt Circular Economy practices focusing on sectors like Plastic, Rubber, Electronics Waste, Municipal solid waste and liquid waste, Compressed biogas, End-to-life vehicles, Scrap metal – ferrous and non-ferrous, Solar panels, Gypsum, toxic, Hazardous industrial waste, used oil waste to comply with Extended Producer Responsibility (EPR) and Waste Recycling targets set for industries and international environmental goals and improve operational efficiency. The loan size under the MSE-SPICE Scheme varies based on the project cost. For Brownfield projects in MSEs, the maximum project cost admissible under the scheme is ₹ 50 Lakhs, with a 25% subsidy on the cost of Plant and Machinery only. The projects costing more than ₹ 50 Lakhs are also admissible under the scheme, but the subsidy is limited to a maximum of ₹12.5 Lakhs/unit.

Further, 6 Micro and Small Enterprises (MSEs) have been assisted under the MSE-SPICE Scheme. The scheme is being implemented on a pan India basis.. The details of MSEs that benefitted State-wise are as follow:-

Sr. No.	State	Detail of MSEs benefitting under the scheme (M/s)	Industry Group
1	Punjab	M J Rubbers and Reclaims	Rubber
2	Tamil Nadu	Prince Manufacturing and Services Company	Plastic
3	Puducherry	Poly Product Industries	Plastic
4	Tamil Nadu	Sri Kumaran Steels India Private Limited	Iron & Steel
5	Rajasthan	Lariya Resort Private Limited	Hotels
6	Maharashtra	Just Dispose Recycling Private Limited	Textiles (Including Jute)

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(d): To enhance budget utilization and increase the participation of MSEs in the MSE-SPICE Scheme, the following steps have been initiated:

- i. **Capacity Building:** Several capacity-building programs have been organized for stakeholders, including Partner Lending Institutions (PLIs), Industry Associations, and operating officers of SIDBI (as PLI) to improve their understanding and implementation of the scheme.
- ii. **Technology Identification:** The implementing agency (SIDBI) has identified eligible equipment/technologies for coverage under the scheme and will be available to the beneficiaries after due consideration.
