

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 4521
TO BE ANSWERED ON 27.03.2025

MSE-SPICE SCHEME

4521. SHRI HARIBHAI PATEL:

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

- (a) whether the Government has launched the MSE-SPICE Scheme to enable Micro and Small Enterprises (MSEs) to adopt Circular Economy solutions, if so, details thereof;
- (b) the details of the objectives, target sectors and strategies adopted under the scheme;
- (c) the total budget allocated for the scheme and the expected benefits for the MSE sector;
- (d) the number of MSEs assisted under the scheme so far and the total expenditure incurred as on March 2025; and
- (e) whether the Government has identified specific initiatives to encourage recycling and resource reprocessing in key sectors like plastic, rubber and electronic waste, if so, details thereof?

ANSWER

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

(a) and (b): The Government of India launched the MSE-Scheme for Promotion and Investment in Circular Economy (MSE-SPICE) to enable UDYAM registered Micro and Small Enterprises (MSEs) to adopt Circular Economy solutions 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. However, projects costing more than ₹ 50 Lakhs are also admissible under the scheme, but the subsidy would be limited to a maximum of ₹12.5 Lakhs/unit. The objectives of the Scheme are as under:

- To promote Circular Economy (CE) and incentivize MSEs to adopt CE in the sector with a focus on notified regulations such as Plastic, Rubber and Electronics Waste Management etc.
- Enable MSE units to comply with Extended Producers Responsibility (EPR) and Waste Recycling targets set for industries.

(c): MSE-SPICE Scheme having total budget outlay of ₹ 472.50 Crore to enable more than 3400 Nos. of MSEs to adopt Circular Economy (CE) solutions.

(d): Total 6 Nos. of Micro and Small Enterprises (MSEs) have been assisted under the scheme and total expenditure incurred is ₹ 124.54 lakh.

(e): The scheme encourages recirculation of resources by adopting the strategies of Circular Economy, which interalia includes; reducing, reusing and recycling in the key sector like Plastic, Rubber and Electronic waste.
