

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF CHEMICALS & PETROCHEMICALS

LOK SABHA
UNSTARRED QUESTION NO. 1214
ANSWERED ON 06/02/2026

SUPPORT FOR SMES IN CHEMICAL SECTOR

1214. SHRI BRIJMOHAN AGRAWAL:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the details of support mechanisms under policies like Hazardous Waste Rules, 2016, for Small and Medium Enterprises (SMEs) in the chemical sector to meet circular economy standards, including waste recycling in non-major clusters;

(b) the status of implementation thereof in the States like Chhattisgarh, where sixty percent of small industries are red-category and face river pollution challenges, along with regional variations, State-wise;

(c) the steps being taken to address gaps such as high compliance costs and low R&D spend (0.7% of revenues), including timelines for initiatives like MSE-SPICE and PLI scheme integration; and

(d) the manner in which the said measures are likely to be beneficial for stakeholders, including local communities and the sector's growth towards \$400-450 billion by 2030?

ANSWER

THE MINISTER OF STATE FOR CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a) and (b)

The Ministry of Environment Forest & Climate Change, Government of India (MoEF&CC) has notified Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (HOWM Rules, 2016) under the Environment (Protection) Act, 1986 for safe handling and management of hazardous wastes in an environmentally sound manner without causing adverse effect to environment and human health. The said Rules promote adoption of various steps under waste management hierarchy i.e. prevention; minimization; reuse; recycling; recovery, utilization including co-processing and safe disposal.

Handling, generation, collection, storage, packaging, transportation, use, treatment, processing, recycling, recovery, pre-processing, co-processing, utilisation, offering for sale, transfer or disposal of the hazardous and other waste by any occupier are to be carried out only after obtaining an authorization from the concerned State Pollution Control Boards/Committees (SPCBs/PCCs) in accordance with the procedures laid down under the said Rules.

Under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, Standard Operating Procedures (SOPs) are formulated by the Ministry of Environment Forest & Climate Change, upon receiving the request from industry for utilizing hazardous waste generated by one unit as a raw material to be used by another unit. This mechanism ensures safe inter-industry waste reuse, facilitating circular economy. Ministry of Environment Forest & Climate Change has developed 127 Standard Operating Procedures (SoPs) for utilization of various categories of hazardous waste.

The said Rules also provides for a list of commonly recyclable wastes. Ministry of Environment Forest & Climate Change has prepared guidelines for environmental sound recycling of the said wastes and has published the same on their website.

Status of implementation in the State of Chhattisgarh:

The national inventory on generation and management of hazardous and other wastes is prepared by Central Pollution Control Board. As per the information received from Ministry of Environment Forest & Climate Change, in India for the Financial Year 2023-24, there are 2,317 units engaged in recycling and 1,231 units engaged in utilization of hazardous waste. These units have recycled 2.34 million metric tonnes and utilized 1.97 million metric tonnes of hazardous waste. Further, in the state of Chhattisgarh, there are 587 hazardous waste generating units, 36 recyclers, 40 authorized utilizers and 175 captive utilizers. About 2,12,848 metric tonnes of hazardous waste has been recycled or utilized for FY 2023-24.

Annual national inventory on generation and management of hazardous and other wastes is prepared and published by Central Pollution Control Board on their website which contains State wise inventory of hazardous waste.

(c) and (d)

The various measures that are being taken to promote circular economy in the sector are as follows:

MSE-SPICE: Micro and Small Enterprises (MSE) - Scheme for Promotion and Investment in Circular Economy (SPICE) is being implemented by Ministry of Micro Small Medium Enterprises (MSME). It is a Central Sector Scheme, with an outlay of Rs 472.50 Cr for the period between FY 2023-24 to 2026-27.

The scheme aims to promote a circular economy in the MSME sector by incentivizing micro and small enterprises (MSEs) to adopt circular economy practices on different types of wastes including on plastic, rubber, and e-waste management. It supports micro and small enterprises (MSEs) in meeting Extended Producer Responsibility (EPR) and waste recycling

targets, while spreading awareness to boost resource efficiency, profitability, and cost reduction.

Under the MSE-SPICE Scheme, micro and small enterprises receive a 25% subsidy on Plant and Machinery cost for circular economy projects with a cap at INR 12.5 Lakhs per unit.

In addition to the above, this Department has taken the initiative to promote the development of the sector in a sustainable way by coming out with the initiative like Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR). Through this initiative, this department promotes growth of industry in a cluster based model, which also facilitates sustainable development and circular economy. Three PCPIRs have been set up at Dahej (Gujarat), Vishakhapatnam–Kakinada (Andhra Pradesh) and Paradeep (Odisha).
