



## Electronics Component Manufacturing Scheme (ECMS)

**Source:ET**

India's **Electronics Component Manufacturing Scheme (ECMS)** has drawn **USD 13 billion investment proposals**, nearly double its target. With **60% participation from MSMEs**, the scheme is set to boost domestic production, reduce import dependence, and create **1.41 lakh direct jobs**, strengthening India's push to become a **global electronics hub**.

- **About:** The **ECMS**, launched in April 2025 as a complement to the [India Semiconductor Mission](#), seeks to strengthen India's electronics value chain beyond finished goods and chip fabrication by boosting **Domestic Value Addition (DVA)** and linking Indian firms with **Global Value Chains (GVCs)**.
  - ECMS supports horizontal linkages with automobile, power, and industrial sectors.
- **Scheme Tenure:** 6 years (1 year of gestation period) i.e. from FY2025-26 to FY2031-32.
- **Incentive Structure:** The ECMS provides **turnover-linked, capex-linked, or hybrid fiscal incentives**, with a portion of both turnover and capex incentives **linked to employment generation**.
  - Incentives will be given on a **first-come, first-served** basis to firms ready for early production.
- **Significance:** Electronics is **India's third-largest export**, with the country being the **2<sup>nd</sup>-largest mobile manufacturer globally**. The ECMS, along with [Production Linked Incentive \(PLI\)](#) and semiconductor initiatives, is crucial for establishing a USD 500 billion electronics manufacturing ecosystem by 2030-31.

**Read more:** [Unleashing the Potential of Electronics Manufacturing](#)

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