



KAMARAJ IAS ACADEMY
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Electronics Components Manufacturing Scheme (ECMS)

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News: MeitY has approved 22 new projects with an investment of **₹41,863 crore**, aimed at creating a self-sufficient ecosystem for high-value electronic components.

Comprehensive Details:

- **The Problem:** India's electronics sector has historically been an "assembly-only" hub (low value-addition). We import "bare components" (PCBs, chips, sensors) mostly from China.
- **Strategic Objective:** To achieve a **\$500 billion production target** by 2030 and increase Domestic Value Addition (DVA).
- **Target Segments:**
- **Sub-assemblies:** Display and Camera modules.
- **Bare Components:** Multi-layer PCBs, Lithium-ion cells (for digital use), and Copper Clad Laminates (CCL).
- **Capital Goods:** Incentivizing the machinery required to build these components.
- **Incentive Structure:** Unlike the PLI (which is purely production-linked), ECMS offers **Hybrid Incentives** —a mix of **Capex support** (for setting up plants) and **Turnover-linked** benefits (for sustaining production).
- **Mains Value-Add:** Discuss this under "**Supply Chain Resilience**" and "**Reducing Trade Deficit with China**."