October 31, 2026

MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY

Electronics manufacturing schemes in India: PLI, ECMS and MPMS

The Ministry of Electronics and Information Technology (MeitY) runs several electronics manufacturing schemes. They include Production Linked Incentive (PLI) 2.0 for IT hardware, the Electronics Component Manufacturing Scheme (ECMS) and the Mobile Phone Manufacturing Scheme (MPMS). Two take applications on October 31, 2026: ECMS segment D until April 30, 2027, and MPMS Target Segment 1 until March 31, 2029.

ON OCTOBER 31, 2026, THE Electronics Component Manufacturing Scheme (ECMS) takes applications for supply chain and capital equipment, until April 30, 2027. The Mobile Phone Manufacturing Scheme (MPMS) takes them for Target Segment 1 until March 31, 2029. Semicon 2.0 takes them for fabs, packaging, and machines and materials. PLI 2.0 for IT hardware closed to applications in 2023.

KEY FACTS

DATA PROTECTION

Digital Personal Data Protection Act, 2023

DATA RULES

Digital Personal Data Protection Rules, 2025

IT LAW

Information Technology Act, 2000

UPDATED

October 31, 2026

Electronics manufacturing schemes in India: PLI, ECMS and MPMS

Ministry of Electronics and Information Technology · October 31, 2026

The Ministry of Electronics and Information Technology (MeitY) runs several electronics manufacturing schemes. They include Production Linked Incentive (PLI) 2.0 for IT hardware, the Electronics Component Manufacturing Scheme (ECMS) and the Mobile Phone Manufacturing Scheme (MPMS). Two take applications on October 31, 2026: ECMS segment D until April 30, 2027, and MPMS Target Segment 1 until March 31, 2029.

Which electronics manufacturing schemes are open on October 31, 2026?

On October 31, 2026, the Electronics Component Manufacturing Scheme (ECMS) takes applications for supply chain and capital equipment, until April 30, 2027. The Mobile Phone Manufacturing Scheme (MPMS) takes them for Target Segment 1 until March 31, 2029. Semicon 2.0 takes them for fabs, packaging, and machines and materials. PLI 2.0 for IT hardware closed to applications in 2023.

Schemes and their windows, October 31, 2026

Scheme	Supports	Applications	Ends	Source
PLI 2.0 for IT hardware	Laptops, tablets, all-in-one PCs, servers and ultra small form factor computers made in India	Closed August 30, 2023; MeitY may reopen it on the industry's response	March 31, 2031	Notification, paras 6.2 and 6.3; extension, para 5
ECMS segments A, B, C and E	Sub-assemblies, bare components and optical transceivers made in India	Closed September 30, 2025	Six years of turnover-linked incentive	Amendment-2, para 1; notification, para 7.1
ECMS segment D	Supply chain parts and capital equipment for electronics manufacturing	Open until April 30, 2027	Investment within five years of acknowledgement	ECMS portal, notice 2; notification, para 7.4
MPMS Target Segment 1	Mobile phones made in India	Open October 15, 2026 to March 31, 2029	End of 2030-31 (March 31, 2031)	Guidelines, para 14.2; notification, para 6
Semicon 2.0	Chip design, machines and materials, fabs, packaging, research and development (R&D), and talent	Three years at first; for machines and materials, fabs and packaging, from September 16, 2026	Projects preferably up to six years	Notification, paras 3 to 5; guidelines, para 7.1

MeitY's other rules are on MeitY: India's data, platform, cyber security and electronics rules.

What did the PLI scheme for mobile phones deliver?

The PLI scheme for large scale electronics manufacturing, notified on April 1, 2020 for mobile phones and their components, drew ₹20,587 crore of investment against a ₹7,000 crore target, by the government's figures. It had paid ₹19,091 crore of incentives by March 2026, from an outlay of ₹34,139 crore, MeitY told the Lok Sabha on July 29, 2026.

Phone PLI targets and results, Lok Sabha answer of July 29, 2026

Measure	Target over the scheme's tenure	Achieved (government figures)
Investment	₹7,000 crore	₹20,587 crore (294%)
Sales or production	₹8,12,550 crore	₹11,61,581 crore (143%)
Exports	₹4,87,530 crore	₹6,53,745 crore (134%)
Incremental direct jobs	2,00,000 jobs	1,69,150 jobs (84%)

The same Lok Sabha answer puts domestic value addition in phones at about 23%, up from about 15%, over the scheme's tenure.

The Lok Sabha answer gives no end date for the scheme. For phones, the MPMS runs from 2026-27 to 2030-31 (MPMS notification, para 6).

What is PLI 2.0 for IT hardware, and can you still apply?

PLI 2.0 for IT hardware is MeitY's incentive scheme for laptops, tablets, all-in-one PCs, servers and ultra small form factor computers made in India, notified on May 29, 2023. You can't apply now: applications closed on August 30, 2023. MeitY may reopen the scheme during its tenure, which ends on March 31, 2031, based on the industry's response.

PLI 2.0 for IT hardware at a glance

Item	Detail	Source
Products	Laptops, tablets, all-in-one PCs, servers and ultra small form factor (USFF) computers	Notification of May 29, 2023, para 4

Incentive	About 5% on average for items made in India: assembly and printed circuit board (PCB) assembly in year one, then at least one more component or sub-assembly a year, at falling rates	Para 3; Annexure B
Outlay	₹16,939 crore of expected incentives over six years; the Cabinet approved a ₹17,000 crore budget on May 17, 2023	Para 8.1; Cabinet release
Investment and ceiling	Global company: ₹500 crore over six years, incentive capped at ₹4,500 crore. Hybrid: ₹250 crore and ₹2,250 crore. Domestic: ₹20 crore and ₹500 crore	Paras 5.2.1 and 8.2
Domestic company	More than 50% beneficially owned by resident Indian citizens or Indian companies they ultimately own and control	Annexure A, note 2
Contract manufacturing	Investment in contract manufacturing facilities counts as the applicant's	Para 5.2.2
Who may apply	Any company registered in India, one application each	Paras 10.1 and 5.1

A company that benefits from PLI 2.0 must use firmware for servers from Indian sources, or from other trusted foreign sources that MeitY certifies (notification, para 5.4).

MeitY's approved list names 27 companies under PLI 2.0. By June 30, 2026, the PLI schemes for IT hardware, counted together, had drawn ₹1,056 crore of investment (99% of the target to 2026-27) and ₹24,385 crore of sales or production (45%). They had paid ₹97.85 crore of incentives by June 2026, the government told the Lok Sabha on July 29, 2026 (Unstarred Question No. 1695).

What does ECMS support, and which windows are open?

The Electronics Component Manufacturing Scheme (ECMS), notified on April 8, 2025, pays incentives for making components in India. It covers display and camera modules, passive and electro-mechanical components, printed circuit boards, lithium-ion cells for digital devices, enclosures, optical transceivers, their supply chain and capital equipment. Only segment D, supply chain and capital equipment, still takes applications, until April 30, 2027.

ECMS at a glance

Item	Detail	Source
Budget	₹22,919 crore at notification, administrative expenses included; ₹40,000 crore after Budget 2026, by the government's answer of March 13, 2026	Notification, para 10; answer 2472

Jobs condition	One point of the turnover-linked rate, and five of the 25 points of capital expenditure (capex) incentive, depend on the cumulative employment threshold	Paras 6.1 and 6.2
Windows	A, B, C and E closed September 30, 2025; D open until April 30, 2027	Amendment-2; portal
Who may apply	A company registered in India under the Companies Act, 2013, or a limited liability partnership (LLP) registered in India	Guidelines, para 2.1
Contract manufacturing	Not eligible; a few steps may go to domestic job workers, if they aren't a significant part	Guidelines, para 5.1.3
Magnets	Segment D, since September 29, 2026: only rare earth permanent magnets that the Ministry of Heavy Industries' sintered magnet scheme doesn't cover	Clarification-3
Approvals	75 applications for 23 products in 12 states by July 31, 2026, the government's figure	Answer 2296, August 7, 2026

ECMS rates by segment and product (notification, para 4 and Annexure A(II); Addendum-1)

Segment and product	Cumulative investment	Turnover-linked incentive, years 1 to 6	Capex incentive
A: display module	₹250 crore	4%, 4%, 3%, 2%, 2%, 1%	None
A: camera module	₹250 crore	5%, 4%, 4%, 3%, 2%, 2%	None
B: passives that aren't surface-mount devices (non-SMD); electro-mechanicals	₹50 crore	8%, 7%, 7%, 6%, 5%, 4%	None
B: multi-layer PCB	₹50 crore	6%, 6%, 5%, 5%, 4%, 4% up to 6 layers; 10%, 8%, 7%, 6%, 5%, 5% from 8 layers	None
B: lithium-ion cells for digital applications, not storage or mobility	₹500 crore	6%, 6%, 5%, 5%, 4%, 4%	None
B: enclosures for phones, IT hardware and related devices	₹500 crore	7%, 6%, 5%, 4%, 4%, 3%	None
C: high-density interconnect (HDI), modified semi-additive process (MSAP) or flexible PCB	₹1,000 crore	8%, 7%, 7%, 6%, 5%, 4%	25%
C: SMD passives	₹250 crore	5%, 5%, 4%, 4%, 3%, 3%	25%
D: supply chain parts; capital goods	₹10 crore minimum	None	25%
E: small form-factor pluggable (SFP) optical transceivers, added July 7, 2025	₹50 crore	5%, 4%, 4%, 3%, 2%, 2%	None

The notification adds 1% for Indian-made laminate in multi-layer PCBs and 2% for Indian-made cathode active material in lithium-ion cells. Pages still giving ECMS ₹22,919 crore quote the outlay at notification.

What is the Mobile Phone Manufacturing Scheme?

The Mobile Phone Manufacturing Scheme (MPMS) is MeitY's incentive scheme for phones made in India, notified on August 21, 2026, with a ₹62,500 crore budget for 2026-27 to 2030-31. Target Segment 1 pays large phone makers, electronics manufacturing services (EMS) companies included, on sales growth. Target Segment 2 backs Indian brands.

Target Segment 1: incentivizing mobile phone manufacturing

Item	Detail	Source
Who may apply	A phone maker registered in India, EMS companies included, with a global turnover, group companies included, of ₹10,000 crore or more in 2025-26	Notification, para 7.1; guidelines, para 3.1
Eligible sales	The brand's sales minus a baseline: its previous year's domestic sales plus 15%, so it moves	Para 7.2
Existing brand	Sales above 2025-26 by ₹5,000 crore in 2026-27, rising ₹5,000 crore a year to ₹25,000 crore in 2030-31	Para 7.1
New brand	Eligible after ₹10,000 crore of annual sales in India; then ₹5,000 crore more sales each year	Para 7.1
Rates	2.75% falling to 2.25% on eligible sales up to the difference between the 2023-24 to 2025-26 average and the baseline; 5% falling to 4% on the rest	Para 7.3(a) and (b)
Domestic sourcing	Up to 1.5% more: display and camera modules 0.30% each, enclosures 0.50%, batteries and USB cables 0.20% each, if localized for at least 25% of the year's units	Para 7.3
Application fee	₹10 lakh, paid online, not refundable	Guidelines, para 14.8

Target Segment 2: supporting Indian mobile phone brands

Item	Detail	Source
Who may apply	Phone makers registered in India, EMS companies included, with ₹1,000 crore or more of turnover in 2025-26	Notification, para 8.1
Indian brand	Incorporated in India, intellectual property (IP) and trademark held in India, under the management control of Indian citizens, more than 51% held by Indian citizens, with in-house R&D and design in India	Para 8.1
Sales threshold	None	Para 8.1
Rates	5% of eligible sales, plus 3% for Indian design and R&D, plus the domestic sourcing incentive	Para 8.3

The 51% Indian shareholding test applies only to Indian brands in Target Segment 2, not to every applicant (MPMS notification, para 8.1).

Two outlay figures appear, and they measure different things. The notification's ₹62,500 crore budget includes administrative charges (para 4), while the guidelines' ₹62,300 crore is the incentive outlay for both segments (para 13.1).

The Target Segment 1 guidelines of October 6, 2026 keep the window open from October 15, 2026 to March 31, 2029. An application filed after March 31, 2027 earns incentives only from its approval date (para 14.2). MeitY may extend or reopen the window on the scheme's performance and the industry's response (para 14.3). The guidelines say MeitY's website will carry the portal's details (para 15.1).

Our insight Mobile phone makers can apply for incentives from October 15 has the rest.

Can a foreign or land-border-linked company apply?

All three schemes name an applicant registered in India, so a foreign group applies through an Indian entity. PLI 2.0 takes any company, ECMS a company or LLP. MPMS Target Segment 2 serves Indian brands only, and Target Segment 1 puts an applicant or brand owned or controlled from a land-border country through the same checks as foreign direct investment.

The MPMS Target Segment 1 guidelines add a land-border check (para 3.2). It covers an applicant or brand owned or controlled, directly or indirectly, from a country that shares a land border with India. Such an application goes through the same compliance processes as foreign direct investment, on terms the government may specify.

The ECMS notification, guidelines and amendments read to October 31, 2026 say nothing on land-border ownership. The ECMS guidelines do ask an applicant with foreign direct investment (FDI) to comply with the FDI policy (para 3.1.4).

The investment rule itself is in Press Note 3: India's land-border investment rule in 2026. MeitY's other rules for foreign firms are in India's digital laws for foreign companies: what applies, and when.

How IndusDesk helps with scheme applications

We watch the authorities, tell you what each change means for your products and plans, represent you while a decision is still open, and carry the work through, with every step on record in your workspace.

Government affairs →

Regulatory & trade advisory →

Rule exposure audit →

Talk to our desk about electronics manufacturing schemes Message us on WhatsApp

Frequently asked questions

Can you combine ECMS with PLI or another incentive scheme?

Eligibility under ECMS doesn't affect eligibility under other schemes, but investment or sales already incentivized under another Government of India scheme can't count under ECMS (guidelines, para 5.1.5; notification, para 11.4). The applicant gives a management undertaking on it. PLI 2.0 and the MPMS each say eligibility under them doesn't affect eligibility under any other scheme, and vice versa (PLI 2.0 notification, para 5.5; MPMS notification, para 9).

Does the government prefer Indian-made electronics in its purchases?

Yes: central buyers apply DPIIT's Public Procurement (Preference to Make in India) Order, 2017, which MeitY says exists "to prioritize domestically manufactured products in public procurement" (Rajya Sabha answer 2472, March 13, 2026). MeitY notified CCTV cameras under the order on March 6, 2024, with effect from June 7, 2024 (circular of February 4, 2026, para 1). Our guide Make in India procurement order: local content and bidding rules explains the order.

Will government buyers check that supplied electronics meet the regulations?

Government buyers must make sure supplies conform. MeitY's circular of December 3, 2025 says goods bought under the Make in India order must meet every regulatory requirement that applies, telecom testing and quality control orders included (paras 1 and 2). Buyers may write third-party testing and penalty clauses into contracts, and are advised to tell the nodal ministry about non-compliant goods (para 3).

Sources

- W-17/9/2021-IPHW, May 29, 2023: Production Linked Incentive Scheme, PLI 2.0 for IT Hardware (notification), paras 3, 4, 5.1, 5.2.1, 5.2.2, 5.4, 5.5, 6.2, 6.3, 8.1, 8.2 and 10.1, and Annexures A and B
- Press Information Bureau, May 17, 2023: Cabinet approves Production Linked Incentive Scheme 2.0 for IT Hardware (budgetary outlay of ₹17,000 crore)
- W-17/9/2021-IPHW, July 31, 2023: office memorandum extending the PLI 2.0 for IT Hardware application window to August 30, 2023, para 5
- MeitY, IPHW Division: List of companies approved under the PLI Scheme 2.0 for IT Hardware (undated; 27 companies)
- Lok Sabha Unstarred Question No. 1695, answered July 29, 2026: PLI scheme for large-scale electronics and IT hardware
- F. No. W/49/2024-IPHW, April 8, 2025: Electronics Component Manufacturing Scheme (notification), paras 4, 6.1, 6.2, 7.1, 7.4, 10 and 11.4, and Annexure A(II)
- MeitY, April 26, 2025: Guidelines for the Operation of the Electronics Component Manufacturing Scheme, paras 2.1, 3.1.4, 5.1.3 and 5.1.5
- File No. W/49/2024-IPHW, July 7, 2025: Addendum-1 to the ECMS notification (optical transceivers), para 1
- File No. W/49/2024-IPHW, July 30, 2025: Amendment-2, extension of the ECMS application window, para 1
- File No. W/49/2024-IPHW, September 29, 2026: Amendment/Clarification-3 to the ECMS notification (rare earth permanent magnets), para 1
- Electronics Component Manufacturing Scheme portal, home page, notice 2 (read October 31, 2026)

- Rajya Sabha Unstarred Question No. 2472, answered March 13, 2026: Progress of Electronics Components Manufacturing Scheme
- Rajya Sabha Unstarred Question No. 2296, answered August 7, 2026: Review of Electronics Component Manufacturing Scheme
- F. No. W/11/2026-IPHW, August 21, 2026: Mobile Phone Manufacturing Scheme (MPMS) notification, paras 4, 6, 7.1 to 7.3, 8.1, 8.3 and 9
- MeitY, October 6, 2026: Guidelines for Operation of the Mobile Phone Manufacturing Scheme for Target Segment-1, paras 3.1, 3.2, 13.1, 14.2, 14.3, 14.8 and 15.1 (PDF, 4.5 MB)
- F. No. W-38/6/2025-IPHW, August 31, 2026: Semicon 2.0, Scheme for development of Semiconductor Design and Manufacturing Ecosystem in India (notification), paras 3 to 5
- W-38/6/2025-IPHW, September 16, 2026: Guidelines for implementing the Machines and Materials, Fabs, and ATMP/OSAT pillars under Semicon 2.0, para 7.1 (PDF, 389 KB)
- W/56/2025-IPHW, December 3, 2025: Circular on regulatory compliance of goods procured under the Public Procurement (Preference to Make in India) framework, paras 1 to 3
- W-18/26/2025-IPHW, February 4, 2026: Clarification on testing requirements under the Public Procurement (Preference to Make in India) Order for CCTV cameras, para 1

IndusDesk

hello@indusdesk.com · +91 11 4141 3939

9th Floor, Hemkunt House, Rajendra Place, New Delhi, Delhi 110008, India

Read online: indusdesk.com/meity/electronics-manufacturing-schemes/