

Government of Gujarat announces the Andhra Pradesh Electronics Component Manufacturing Policy-2025

8 August 2025

The Government of Andhra Pradesh has introduced the Andhra Pradesh Electronics Component Manufacturing Policy 2025-30 to catalyse investments, promote domestic value addition, and strengthen the state's position in the national electronics manufacturing ecosystem. The policy aligns with the Government of India's Electronics Component Manufacturing Scheme (ECMS), 2025, and is designed to reduce import dependency and support the localisation of strategic electronic components.

This policy will serve as a dedicated framework to support industries manufacturing sub-assemblies, bare components, capital equipment, and high-value electronic parts by providing direct incentives and ecosystem support.

Key features:

- **Policy period:** 5 years, applicable from the date of notification (1 August 2025) till 31 July 2030.
- **Objective:**
 - Strengthen the component-level manufacturing ecosystem in Andhra Pradesh.
 - Attract global and domestic investments in the electronics value chain.
 - Foster a resilient and self-sustaining supply chain.
 - Promote skill development, infrastructure creation, and R&D in component manufacturing.
- **Eligibility:**
 - Units approved under MeitY's Electronics Component Manufacturing Scheme (ECMS) will be eligible under this policy.
 - Applicants must propose or establish component manufacturing units in Andhra Pradesh.
 - Approvals will be subject to review by the State Investment Promotion Board (SIPB), State Investment Promotion Committee (SIPC), and Consultative Committee for IT & Electronics Investments (CCITEI).
 - Units availing incentives under this policy shall not be eligible under the Andhra Pradesh Electronics Policy 4.0 (2024–29) for the same project.
 - Firms can apply under only one of the two policies – this policy, i.e., the Andhra Pradesh Electronics Component Manufacturing Policy, or the Andhra Pradesh Electronics Policy 4.0.
- **Incentives and support:**

Selection of category of incentives	<ul style="list-style-type: none">• Early bird offer: 50% capital subsidy for the first 10 projects with INR 250 Cr+ investment (over 5 years) to be paid in 2 equal annual installments.• Matching subsidy:<ul style="list-style-type: none">▪ 100% match of the GOI ECMS incentive; disbursed within 6 months of the central release.▪ If $\geq 50\%$ of the ECMS targets are met in any year, the proportional subsidy is disbursed in 2 installments.
Infrastructure support	75% land cost subsidy or 50% rental waiver for 3 years and 100% electricity duty exemption for 6 years.
Other benefits	Net SGST refund, power cost support, stamp duty waiver and recruitment assistance with subsequent revisions notified from time to time.

Special concessions for mega projects	<ul style="list-style-type: none"> Projects with a proposed investment exceeding INR 1,000 Cr or generating at least 1,000 jobs over a 5-year commitment are called mega projects. Such projects will be eligible for tailor-made incentives with the SIPB approval.
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