

Ministry of Communications



Department of Telecommunications Signs MoU with Government of Madhya Pradesh for Establishment of Telecom Manufacturing Zone (TMZ) in Gwalior

TMZ to emerge as India's first integrated Telecom Manufacturing Zone; ₹493 crore Central Government support for Phase-I infrastructure

India's First Telecom Manufacturing Zone to Advance Prime Minister Shri Narendra Modi's Vision of Aatmanirbhar Bharat

We are partners, facilitators, not government: Union Minister of Communications, Shri Jyotiraditya M. Scindia

India Must Transition from Being a Telecom Service Provider to a Telecom Product Manufacturer; the Telecom Manufacturing Zone Will Drive This Transformation: Shri Scindia

We are partners and Facilitators for the Investment Community: Union Minister of Communications

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The Department of Telecommunications (DoT), Government of India and the Government of Madhya Pradesh today signed a Memorandum of Understanding (MoU) for the establishment of a Telecom Manufacturing Zone (TMZ) in Gwalior, Madhya Pradesh in the presence of Shri Jyotiraditya M. Scindia, Union Minister of Communications and Development of North Eastern Region; Dr. Mohan Yadav, Chief Minister of Madhya Pradesh; and Dr. Chandra Sekhar Pemmasani, Union Minister of State for Communications and Rural Development. The MoU marks a significant milestone in strengthening India's domestic telecom manufacturing ecosystem and advancing the Prime Minister Shri Narendra Modi's vision of Aatmanirbhar Bharat in the telecommunications sector.



The Telecom Manufacturing Zone is envisaged as an integrated 350-acre plug-and-play industrial cluster, designed to provide world-class infrastructure and a conducive ecosystem for telecom and electronics manufacturing, research and development, innovation and allied activities. The initiative is aimed at positioning Gwalior as a premier industrial and technology hub in Central India and strengthening India's position as a global telecom manufacturing and innovation hub.



The signing of the MoU will pave the way for the establishment of a Special Purpose Vehicle (SPV) for the TMZ, with 51 per cent equity from the Government of Madhya Pradesh and 49 per cent from the Department of Telecommunications.



The Central Government is providing 100 per cent funding support for Phase-I, with an allocation of ₹493 crore for development of core infrastructure. The Government of Madhya Pradesh, in turn, has extended significant support for the project, including approximately 170 acres of land free of cost.

Under the special policy package extended by the Government of Madhya Pradesh, 100 acres in the SADA region and 70 acres in the Gwalior IT Park have been allocated free of cost, with a combined value of approximately ₹596 crore. Additional land will be made available at a nominal premium of ₹1 and a fixed lease rent of ₹1 per square metre per annum for 30 years. Units established in the TMZ will also benefit from reimbursement of stamp duty and registration charges, power tariff rebates and other fiscal incentives.

The policy package provides substantial support to investors and manufacturers, including 50 per cent capital subsidy on Eligible Fixed Capital Investment (EFCI), subject to a maximum of ₹200 crore, along with employment generation assistance of ₹5,000 per month per employee for five years for eligible mega projects. Skill development support of up to ₹13,000 per new employee will also be available, subject to applicable conditions.



To promote exports, eligible units will receive a 50 per cent freight subsidy on finished goods transported to seaports or air cargo facilities, subject to prescribed limits. The package also provides incentives for research and development, including

reimbursement support for standalone R&D units and 100 per cent reimbursement of expenses incurred for filing patents, copyrights and trademarks, within specified limits.

The TMZ is expected to serve as a major investment catalyst, with initial commitments of approximately ₹5,000 crore for Phase-I and projected total investments of ₹12,000–15,000 crore over time. The project is expected to generate approximately 14,000 direct skilled jobs, including around 3,500 jobs in Phase-I, besides creating tens of thousands of indirect employment opportunities.

Leading telecom and electronics companies, including Dixon Technologies, HFCL, Tejas Networks, VVDN and Syrma SGS, are among the industry players anchoring the proposed zone.

The TMZ is envisaged to bring together the entire telecom value chain, ranging from mobile devices and optical fibre to advanced semiconductor technologies and next-generation 5G/6G research and development. Dedicated R&D centres, common testing laboratories and certification facilities will support the development and validation of indigenous telecom technologies and products in accordance with global standards.

The initiative will also create synergies with key national programmes, including the India Semiconductor Mission (ISM), Electronics Components Manufacturing Scheme (ECMS) and Telecom Technology Development Fund (TTDF). By strengthening domestic manufacturing of critical telecom equipment such as routers, antennas, optical fibre and chips, the TMZ will contribute towards reducing import dependence, promoting exports, strengthening domestic supply chains and enhancing telecom security.



Expressing his view, Shri Jyotiraditya Madhavrao Scindia, Union Minister of Communications and Development of North Eastern Region said, “India’s first Telecom Manufacturing Zone will be established in Gwalior, the heart of the country, and will accelerate Madhya Pradesh’s growth trajectory.” He said this is a historic milestone in realizing the vision of Aatmanirbhar Bharat, Make in India, Digital India and Viksit Bharat 2047 under the leadership of Prime Minister Shri Narendra Modi. The project will strengthen India’s position on the global telecom manufacturing map. He added that under the leadership of Chief Minister Dr. Mohan Yadav, Madhya Pradesh is progressing rapidly towards development and self-reliance, and the Telecom Manufacturing Zone is a clear reflection of that vision.



The Union Minister also added, “India must now move beyond being a telecom service provider to becoming a telecom manufacturer, and that building a strong indigenous ecosystem is essential to achieving this goal. The Telecom Manufacturing Zone is a major step in that direction.”

Dr. Mohan Yadav, Chief Minister, Madhya Pradesh highlighted the significance of TMZ in his state and said, “The Telecom Manufacturing Zone (TMZ) is the outcome of Union Minister Shri Jyotiraditya Scindia’s sustained efforts and visionary leadership.” He highlighted the Shri Scindia family’s historic contribution to the development of Gwalior and said the project represents another important chapter in that journey.

The Chief Minister expressed confidence that the Telecom Manufacturing Zone would shape not only the industrial and technological future of Madhya Pradesh but also of the country. “What cannot be found anywhere else in India will now be available in Madhya Pradesh,” he said, adding that Gwalior is set to become a national hub for electronics and telecom manufacturing, attracting significant investment, employment and technological innovation.

Speaking on the development, Dr. Chandra Sekhar Pemmasani, Union Minister of State for Communications and Rural Development said, “It is a historic day for both Department of Telecommunications and Government of Madhya Pradesh for establishing first of its kind similar to a SEZ where you put everything from end to end whether it is research, manpower, design, testing and manufacturing in one area. We want to design, patents and intellectual property rights and globally competitive products and this manufacturing zone will help in achieving that.”

Following the MoU signing, an Investor Roundtable was held under the joint chairmanship of Shri Jyotiraditya M. Scindia, Union Minister of Communications and Development of North Eastern Region; Dr. Mohan Yadav, Chief Minister of Madhya Pradesh and Dr. Chandra Sekhar Pemmasani, Minister of State for Communications and Rural Development. The roundtable brought together representatives of telecom manufacturers and industry stakeholders from across the country to discuss investment opportunities, industry requirements and the potential of the Telecom Manufacturing Zone in Gwalior to strengthen India’s telecom manufacturing ecosystem. Various industry leaders applauded the initiative of the both Central and state governments and termed as a historic and best in the world offer and opportunity for the telecom manufacturers and stakeholders. At the end of the roundtable, a total of INR 3,500 crore investment and 14,000 job opportunities were committed by the industry towards the Telecom Manufacturing Zone.



The establishment of the Telecom Manufacturing Zone in Gwalior represents a strategic step towards creating a globally competitive telecom manufacturing ecosystem in India. By integrating manufacturing, R&D, common infrastructure, policy support and industry participation, the TMZ is expected to drive investments, create high-quality employment, boost exports, promote indigenous innovation and strengthen India's telecom supply chain.

The signing of the MoU between the Department of Telecommunications, Government of India, and the Government of Madhya Pradesh marks the beginning of a new chapter in India's journey towards becoming a global hub for telecom manufacturing and innovation.

A historic chapter for #AatmanirbharBharat IN

A golden moment for Bharat, and a deeply personal one for me, as we sign the MoU between @DoT_India, and the Government of Madhya Pradesh for India's first Telecom Manufacturing Zone (TMZ) to be set up in Gwalior, in the august... pic.twitter.com/yzCoST2EYC

— Jyotiraditya M. Scindia (@JM_Scindia) July 30, 2026

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