



**The Institute of Chartered Accountants of India**  
(Set up by an Act of Parliament)



# Nagaland State MSME Policy



**MSME & Startup Committee, ICAI**

---

## Disclaimer

This publication is intended solely for general information and reference purposes only and does not constitute professional advice. Readers are advised to seek professional help for specific queries. While every effort has been made to avoid any mistake or omission, ICAI assumes no responsibility and makes no warranty, either express or implied, regarding the accuracy, completeness, or timeliness of the content. ICAI would not be liable in any manner, whatsoever, to any person by reason of any mistake or omission in this publication or for any action taken or omitted to be taken or advice rendered or accepted on the basis of this publication. ICAI shall not be liable for any loss, damage, or consequences that may arise from the use of or reliance upon this publication, howsoever caused. Readers are advised to exercise their own independent judgment and consult official government sites, notifications, circulars, statutory instruments, and prevailing laws for the most current and authoritative pronouncements or seek independent professional advice before proceeding with any decision or action.

## Message from Committee Leadership

*Dear MSME & Startup Stakeholders,*

We are pleased to share details about the ICAI MSME Clinic, an initiative designed to provide valuable guidance, support, and professional assistance to MSMEs and Startups across the country. This weekly walk-in, pro-bono advisory service aims to address key challenges faced by MSMEs, including finance, accounting, technology support and marketing.

### About ICAI MSME Clinic

The ICAI MSME Clinic will be hosted every Friday by ICAI branches, where MSMEs and Startups can receive expert advice from two dedicated advisory desks:

- **Business Support Desk:** Led by Chartered Accountants specializing in MSME and Startup advisory, financial planning, compliance, and business strategy.
- **Institutional Support Desk:** Led by Bankers and Government Representatives, offering assistance with credit access, grievance redressal, and awareness of government schemes.

### Introduction to the State-Specific MSME Policy

We are also excited to present the State-Specific MSME Policy, an essential resource for MSMEs & Startups in the ICAI MSME Clinic initiative. As part of this initiative, the Committee has developed a Resource Handbook and State-Specific MSME Policies, aimed at enhancing the knowledge base of MSMEs and Startups.

These State-Specific Handbooks serve as practical and accessible tools for navigating the unique opportunities, policies, and regulatory frameworks specific to each state. By consolidating available schemes, incentives, and support across states, we aim to provide MSMEs & Startups with the guidance they need to grow at the grassroots level and develop the capacity.

### Vision of ICAI MSME Clinic

Through consistent, pro-bono engagement and sustainable operations, each branch becomes a local hub and incubation centre of MSME transformation, bridging professional excellence with grassroots economic development. ICAI aims to empower MSMEs & Startups annually, driving financial literacy, compliance discipline, and business growth.

### Acknowledgement

We would like to extend our sincere gratitude to **CA Himanshu Srivastava** for their tireless efforts and contributions in preparing the **State-Specific MSME Policy of Nagaland**, which will play a crucial role in this initiative.

### MSME & Startup Commitment Growth

The MSME & Startup Committee, ICAI, is deeply committed to ensuring the success of the ICAI MSME Clinic and providing continuous support to MSMEs & Startups. Together, we look forward to contributing to the sustainable growth and empowerment of MSMEs & Startups, which are the backbone of the Indian economy.

**CA Gyan Chandra Misra**  
Chairman  
MSME & Startup Committee, ICAI

**CA. Sanjay Kumar Agarwal**  
Vice Chairman  
MSME & Startup Committee, ICAI

# Nagaland Trade, Investment & Industrial Policy (NTIIP), 2025

## 1. INTRODUCTION

### 1.1. Brief state profile relevant to the policy

Nagaland is a strategically located North-Eastern state sharing an international border with Myanmar, offering potential for cross-border trade and regional market integration. The primary sector of State are Agriculture, Horticulture, Sericulture, Animal Husbandry and Fisheries. Its economy is primarily agrarian, supported by rich natural resources such as bamboo, forest produce, and high-value horticultural crops including pineapple, kiwi, spices, and organic produce.

The Nagaland Trade, Investment, and Industrial Policy (NTIIP) is a framework by the Government of Nagaland to promote industrialization and attract investment.

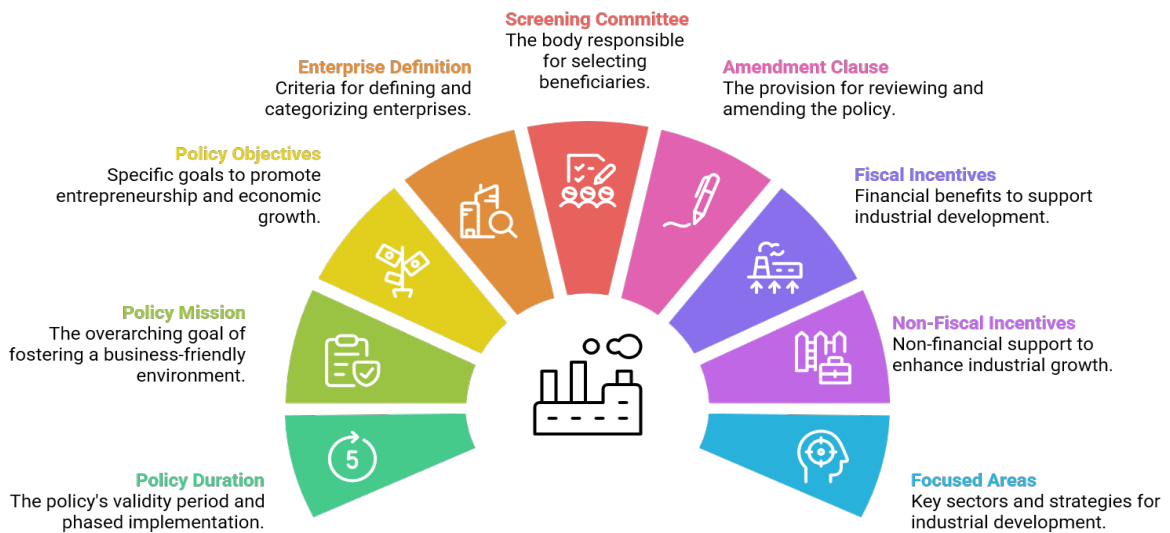
The latest version is the Nagaland Trade, Investment, and Industrial Policy (NTIIP), 2025, which was notified in May 2025 and is set to remain in force for a period of five years.

### 1.2. Key highlights

- The policy is valid for five years from the date of notification (effective 8<sup>th</sup> May 2025), unless reviewed or amended by the Government.
- The policy will be implemented in phases; detailed incentive schedules and operational guidelines will be issued separately.

## 2. ABOUT THE POLICY

### Nagaland's Industrial Policy Framework



### 2.1. Duration of the Policy

The policy, approved by the Cabinet on February 24, 2025, and subsequently notified on May 8, 2025, will be implemented in a phased manner. The policy shall remain in force for a period of five years, commencing from the date of its notification, unless it is reviewed or amended earlier by the Government.

## 2.2. Mission

To create a business-friendly environment with simplified procedures and improved infrastructures so as to encourage innovative entrepreneurial skills fostering competitive industrial growth and investment, thereby creating employment opportunities and enhancing the State's economic status resulting in better living standards.

## 2.3. Objectives of the Policy

The primary objective of the policy is to create a conducive, business-friendly environment that nurtures entrepreneurship, attracts investment, strengthens industrial capabilities, and promotes balanced and sustainable economic growth across Nagaland. Key objectives of the policy inter alia includes:

- Encourage the growth of entrepreneurs and strengthen the entrepreneurial ecosystem.
- Attract and facilitate domestic and foreign investment into key sectors.
- Promote sustainable and resilient growth of enterprises across the State.
- Generate employment opportunities and contribute to poverty reduction.
- Ensure balanced regional economic development.
- Improve the overall economic status and competitiveness of the State.
- Provide a comprehensive digital/interactive platform for information, protection, and education of entrepreneurs.

## 2.4. Enterprise/Project category definition (Applicability and Eligibility Requirements)

- **Mirco Small and Medium Enterprises:** MSME categories are defined as per MSME Act 2006, as amended via Gazette S.O. 1364(E) 2025; subject to change based on any future amendments.
- All enterprises registered under Udyam Registration (UR) of the Ministry of MSME or New Enterprises intending to be set-up/established within Nagaland.
- All industries having investment in P&M/equipment and turnover below the threshold prescribe for Micro units under MSME Act, 2006 are considered as tiny units/enterprises.

## 2.5. Constitution of Screening Committee for Beneficiary Selection

- A Screening Committee shall be constituted separately, with its composition and terms of reference to be decided by the Competent Authority.
- The committee shall ensure transparent and fair selection criteria with appropriate

## 2.6. Amendment Clause

The provisions of the Nagaland Trade, Investment, and Industrial Policy (NTIIP), 2025, shall be subject to review and amendment by the Government of Nagaland from time to time, as deemed necessary for its effective implementation.

### 3. FEATURES & INCENTIVES

A comprehensive incentive mechanism under NTIIP, 2025, shall be formulated and duly notified.

#### 3.1. Fiscal incentives

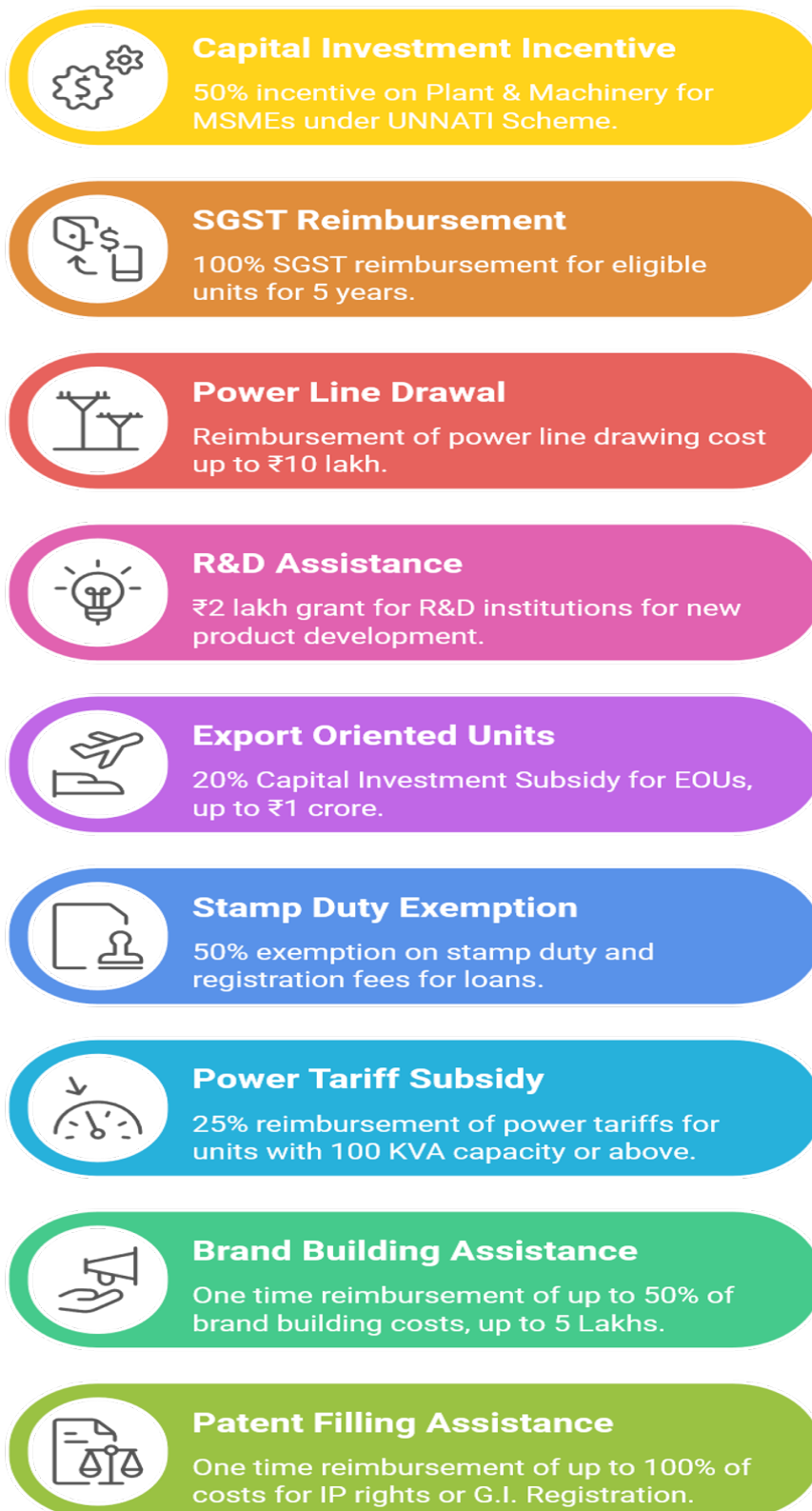
- **Capital investment incentive:** MSME units in the manufacturing sector, or units in the service sector that construct buildings and install physical assets, are entitled to a 50% incentive on Plant & Machinery (P&M) under the UNNATI Scheme. The incentive is capped at ₹7.50 crore where GST is applicable, and at ₹10 crore where GST is not applicable.

Further, for Micro and Small Enterprises, Eligible units in the manufacturing sector, or units in the service sector that construct buildings and install physical assets, are entitled to a 30% incentive on Plant & Machinery (P&M), capped at ₹10 crore, under schemes other than the UNNATI Scheme.

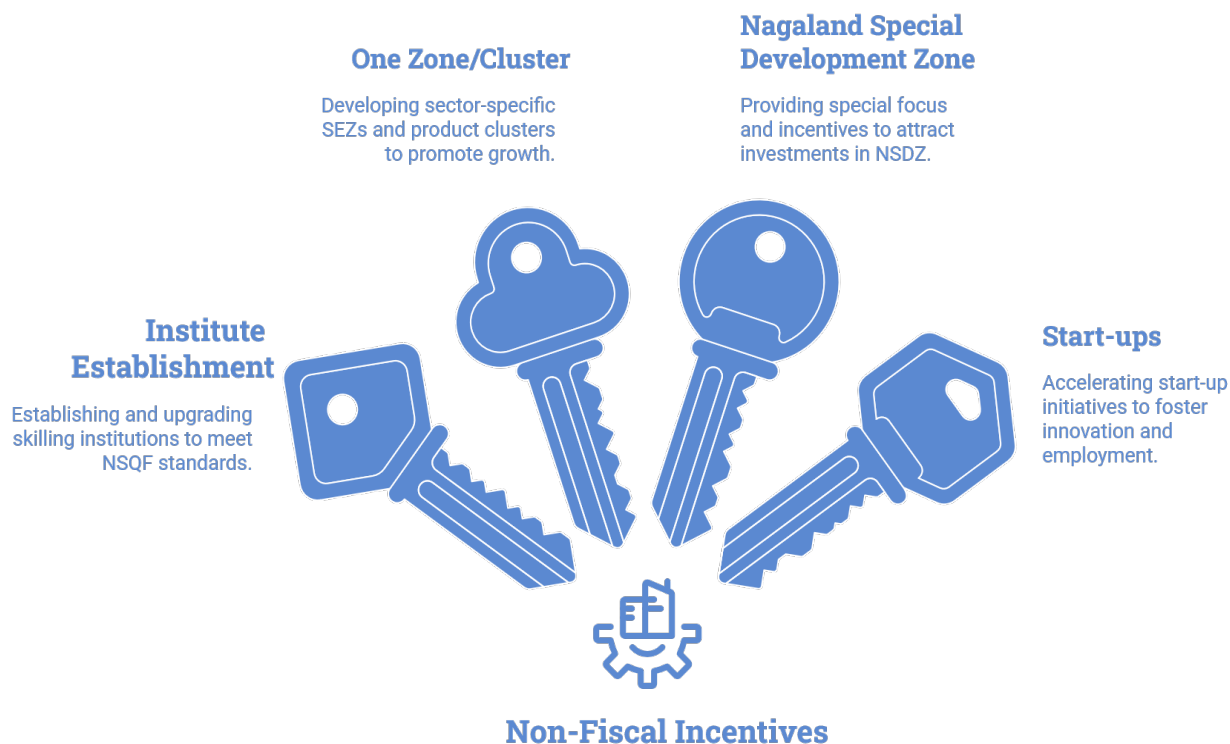
- **SGST reimbursement:** Eligible units with a minimum investment of ₹50 lakh in Plant & Machinery (for the manufacturing sector) or in building construction and other durable assets (for the service sector) will be entitled to a 100% SGST reimbursement for a period of 5 years from Date of Commencement of Production, or Date of Commercial Operation.
- **Drawal of Power Line:** Eligible industrial units are entitled to a one-time reimbursement of the cost of drawing a 33/11 kV power line, subject to a ceiling of ₹10 lakh, provided the unit is located outside notified developed infrastructure and the location is approved by the Government.
- **R&D assistance:** A one-time grant of ₹2 lakh will be provided to recognized R&D institutions or scholars for undertaking research and development on any new product or process that can result in significant improvement in quality or output.
- **Assistance to 100% Export Oriented Units (EOUs):** Export-oriented units established in the State are eligible for a 20% Capital Investment Subsidy, subject to a maximum limit of ₹1 crore.
- **Stamp duty exemption:** A 50% exemption on stamp duty and registration fees will be provided for securing loans from financial institutions, including the mortgage of fixed assets, for a period of 5 years.
- **Power tariff subsidy:** Units with an installed power capacity of 100 KVA (134 HP) and above will be eligible for a 25% reimbursement of actual power tariffs for a period of 5 years, subject to a ceiling of ₹5 lakh per annum.
- **Brand building and Patent filing cost assistance:**
  - New enterprises established in the State are eligible for a one-time reimbursement of up to 50% of the cost incurred for brand building, subject to a ceiling of ₹5 lakh.

- New enterprises established in the State are also eligible for a one-time reimbursement of up to 100% of the costs incurred for Intellectual Property rights, GI Tag registration, or patent filing.

## Fiscal Incentives Overview



### 3.2. Non-fiscal incentives



- **Institute Establishment:**
  - Establish new skilling institutions or upgrade/reorient existing ones in line with NSQF standards.
  - Provide tooling and equipment support to sector-specific skilling units located in rural areas.
  - Offer stipendiary support for conducting training programs.
- **One Zone/Cluster – One Sector/Product**
  - Identify new sector-specific SEZs or product-specific clusters and develop additional industrial infrastructure.
  - Promote specific sectors or products within the identified zones or clusters.
- **Nagaland Special Development Zone (NSDZ):** Special focus will be given to NSDZ along the foothills to liberalize entry and attract investments into the zone.
- **Start-ups:** Accelerate the start-up initiative to build a robust ecosystem that nurtures innovation, promotes sustainable economic growth, and generates large-scale employment opportunities.

#### 4. FOCUSED AREAS

- **How to apply:** Phases of policy will be notified by the authorities and the mechanisms for making applications will be notified accordingly.
- **Industries benefiting:** Beneficiary selection will be done by the Screening Committee constituted for the purpose.
- **Who can participate:** The Screening Committee will ensure transparent and fair selection criteria. The criteria will include appropriate safeguards as well.

#### 5. CONCLUSION AND STRATEGIC SIGNIFICANCE

The Nagaland Trade, Investment & Industrial Policy (NTIIP), 2025 represents a significant step toward transforming the state into a competitive, sustainable, and investor-friendly economy. By focusing on industrial growth, entrepreneurship, infrastructure development, skill enhancement, and ease of doing business, the policy aims to create new opportunities for employment and economic diversification across Nagaland.

The policy also recognizes the importance of balancing economic progress with environmental sustainability and preservation of the state's unique cultural identity. Through incentives for local enterprises, promotion of MSMEs, support for innovation, and encouragement of private investment, NTIIP 2025 seeks to strengthen both domestic and external trade linkages while improving the overall industrial ecosystem.

Furthermore, the emphasis on inclusive growth ensures that benefits reach rural communities, youth, women entrepreneurs, and traditional sectors. If effectively implemented with strong institutional support and stakeholder participation, the policy has the potential to accelerate socio-economic development, enhance investor confidence, and position Nagaland as an emerging hub for trade and industry in the North-Eastern region of India.

- **Links**

Policy Link: <https://industry.nagaland.gov.in/wp-content/uploads/2025/07/Nagaland-Trade-Investment-and-Industrial-Policy-NTIIP-2025.pdf>

DICG: <https://industry.nagaland.gov.in/notification-type/policy/>

- **Contacts:**

**Department of industries & commerce**

[Gon.indcom@gmail.com](mailto:Gon.indcom@gmail.com)

**Directorate Of Industries & Commerce**

[industrynaga@gmail.com](mailto:industrynaga@gmail.com), [dirindus\\_ngl@nic.in](mailto:dirindus_ngl@nic.in)

#### 6. REFERENCES

NTIIP 2025 Gazette/portal, Nagaland Economic Survey.

## FAQs

### 1. Who is eligible to avail the incentives under NTIIP 2025?

Following are the MSMEs who are eligible for incentives under NTIIP 2025:

- Enterprises registered under **Udyam Registration (UR)** as per the Micro, Small and Medium Enterprises Act, 2006;
- New enterprises intending to set up operations in Nagaland; and

### 2. What special incentives are available for Micro enterprises?

Micro enterprises are eligible to the following incentives:

- Soft loans for technology upgradation (up to ₹10 lakh).
- Soft loans for units in thrust areas and sectors (up to ₹20 lakh).
- Soft loans for small business and enterprises (up to ₹10 lakh).

### 3. What special incentives are available for Small Enterprises?

Small enterprises are eligible to the following incentives:

- Soft loans for technology upgradation (up to ₹50 lakh).
- Soft loans for units in thrust areas and sectors (up to ₹1 crore).
- Soft loans for small business and enterprises (up to ₹10 lakh).

### 4. Does the policy support women entrepreneurs?

Women entrepreneurs in Nagaland are eligible for an additional 10% Capital Investment Subsidy on plant and machinery, subject to a maximum limit of ₹10 lakh.

### 5. Is there any support for differently-abled entrepreneurs?

The policy provides differently-abled entrepreneurs with:

- 10% Capital Investment Subsidy up to ₹10 lakh; and
- 50% additional rental subsidy for units established in Government industrial parks.

### 6. Are exporters eligible for special incentives?

Yes, exporters are eligible for the following special incentives under the policy:

- 20% Capital Investment Subsidy for 100% Export Oriented Units (EOUs) up to ₹1 crore; and
- Transport Incentive offering 50% reimbursement of transportation costs for goods moved outside Nagaland, capped at ₹50 lakh per year.

### 7. What is the tenure of the NTIIP 2025 policy?

The policy is applicable for the period 2025–2030.

### 8. Who is the nodal agency for implementing the policy?

The Investment Development Authority of Nagaland (IDAN) is the notified nodal agency responsible for industrial policy implementation.

**9. Which sectors are identified as thrust areas?**

Key focus domains include:

- Electronics & IT
- Startups & innovative enterprises
- Power & renewable energy
- Skilling & capacity building

**10. What support is available for market development and quality certification?**

The policy provides:

- market development and quality certification support through a 50% reimbursement of participation fees for trade fairs or exhibitions outside the State (up to two events per year, capped at ₹50,000 per event), and
- 50% reimbursement of costs for obtaining standard quality certifications up to ₹1 lakh, and 100% cost coverage for all stages of ZED certification.





## The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

### MSME & Startup Committee, ICAI

A-29, ICAI Bhawan, Admin Block, Sector-62, Noida,  
Uttar Pradesh-201309, India | Phone: 0120-3045944  
Email: [msme@icai.in](mailto:msme@icai.in), [msmeclinic@icai.in](mailto:msmeclinic@icai.in)



**Startup Portal:**  
[startup.icai.org](http://startup.icai.org)



**MSME Portal:**  
[msme.icai.org](http://msme.icai.org)