Nagaland – Nagaland Startup Policy 2019

Introduction

Nagaland has a young demographic with over 60% population in the working age group.

Recognizing entrepreneurship as a key driver for economic growth and job creation.

The policy aligns with the Government of India’s Startup India initiative.

Nodal department for implementation: Department of Industries & Commerce, Nagaland.

Vision

To transform Nagaland into a leading startup hub in the region.

Foster a culture of innovation and entrepreneurship among the youth.

Enable startups to scale and create employment opportunities.

Pillars of Strategy

Develop innovation and entrepreneurship especially in rural and social sectors.

Focus on sustainable business models and supply chain/financial linkages.

Build human capital through education and skills.

Engage industries proactively for innovation partnerships.

Objectives

Facilitate development of at least 500 startups in five years.

Establish a world-class incubator in partnership with global leaders on PPP mode.

Mobilize funding through Fund of Funds and other schemes.

Stimulate entrepreneurship culture via education and capacity building.

Generate significant direct and indirect employment.

Definitions

Startup: Entity registered not earlier than 7 years (10 years for biotech), turnover under ₹25 crore, engaged in innovative/technology-based business model,

Incubator: Organization providing workspace, mentoring, business services, legal and financial assistance, and networking for startups.

Investor: Angel investors, venture capital firms, and other financial support groups.

Policy Duration

Effective from notification date on June 12, 2019, for a period of 5 years unless extended or superseded.

Incentives

GST reimbursement: Annual reimbursement of state GST paid, up to ₹5 lakhs for 3 years.

Stamp duty reimbursement: Full reimbursement of stamp duty/registration/conversion fees on first property transaction.

Digital upgradation subsidy: 50% reimbursement of capital expenditure on IT hardware/software, capped at ₹5 lakh.

Broadband rental reimbursement: 50% rental subsidy on incubator/co-working space for 2 years, max ₹2 lakh.

Power subsidy: 50% subsidy on electricity charges up to ₹10 lakh per annum for 5 years.

Patent cost reimbursement: 100% reimbursement on patent filing/maintenance costs, up to ₹2 lakh (domestic) and ₹5 lakh (international), disbursed 50% on filing, 50% on grant.

Marketing assistance: 50% reimbursement of eligible marketing expenses up to ₹5 lakh.

Regulatory facilitation: Ease of licenses through self-certification and deemed approvals.

Procurement benefits: Waiving prior experience and turnover requirements in government tenders for startups; encouraging consortium bidding with startups.

Additional incentives: Other benefits under Nagaland industrial and investment policies; no double claims allowed.

Institutional Support and Implementation

Nodal Agency: Department of Industries & Commerce.

Nagaland Innovation Society: Implements and monitors the policy; serves as coordination platform.

Selection Process: Online application; screening by Innovation Society; final selection by Startup Council based on innovation, scalability, feasibility.

Startup Council: Led by Nagaland Chief Minister, includes ministers, CEOs, government officials, industry and academic representatives; oversees policy execution,

Nagaland Investor Network: Platform connecting startups with angel investors, VCs, and other funding sources.

Incubation Infrastructure

Creation of world-class incubator in Kohima or Dimapur via PPP.

Additional incubators planned for each district.

Incubators provide plug-and-play spaces, research facilities, mentoring, business services.

Financial support for incubators includes capital grants (up to ₹25 lakh), reimbursement on incubatee expenses (up to ₹2 lakh), lease rental subsidy, mentoring support,

and event organization funding.

Focus on Women Entrepreneurship

Dedicated efforts to support women entrepreneurs.

Minimum 25% allocation from funding and incentive schemes for women-led startups.

Outreach initiatives and capacity building for women entrepreneurs.

Education and Skill Development

Incorporation of entrepreneurship education in school and university curricula.

Establish Entrepreneurship Development Centres and Satellite Cells.

Collaborate with academic institutions for startup awareness and training.

Support for social innovation initiatives.

MOOCs and skill building programs for entrepreneurs.

Monitoring and Review

Policy periodically reviewed by Startup Council and Innovation Society.

Implementation monitored by dedicated task forces and technical committees.

Feedback-driven policy evolution aligned with the startup ecosystem's dynamics.

Source: Nagaland Startup Policy 2019

Issued by: Government of Nagaland – Department of Industries & Commerce

Notification Date: 12 June 2019