

What biotech startups has to say on GST?

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As India will be launching Goods and Services Tax (GST) with effect from July 1, BioSpectrum spoke to startups, industry captains/ associations and consultants the industry's preparedness towards GST



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1. Is biopharma / med tech industry ready for this launch?

I guess the big and established biopharma companies have already laid system which can easily take up the burden of GST as they have resources and manpower, but for a startup like us where we are in development stage, it becomes difficult to understand the implication of GST. We just started to create business, and being an R&D organization it becomes difficult to understand the compliance of various taxes and GST would bring in extra burden or just relax us as we figure out that it

would be lower for turnover between Rs 20 lakh and Rs 50 lakh under composition scheme. We still have to figure if we are ready for the launch but I guess being in learning stage it would not be very tough to go with the system.

2. If yes how it will help consumers and how your company prepared for it?

Being Startup, We often work on tight budget and limited resources to look after the various tax compliances. GST hopefully will remove or absorb all of this thus reducing the time spent for tax compliances. Our company does both product selling as well as services so it might be much easier to pay one tax instead of VAT and Service Tax.

3. If not what are challenges before the company?

We have been constantly figuring out how and what we need to do to be in pace with the system. Since this year is the starting year of our business too, it will be the best to understand the flow and accordingly regulate our sales and management.

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