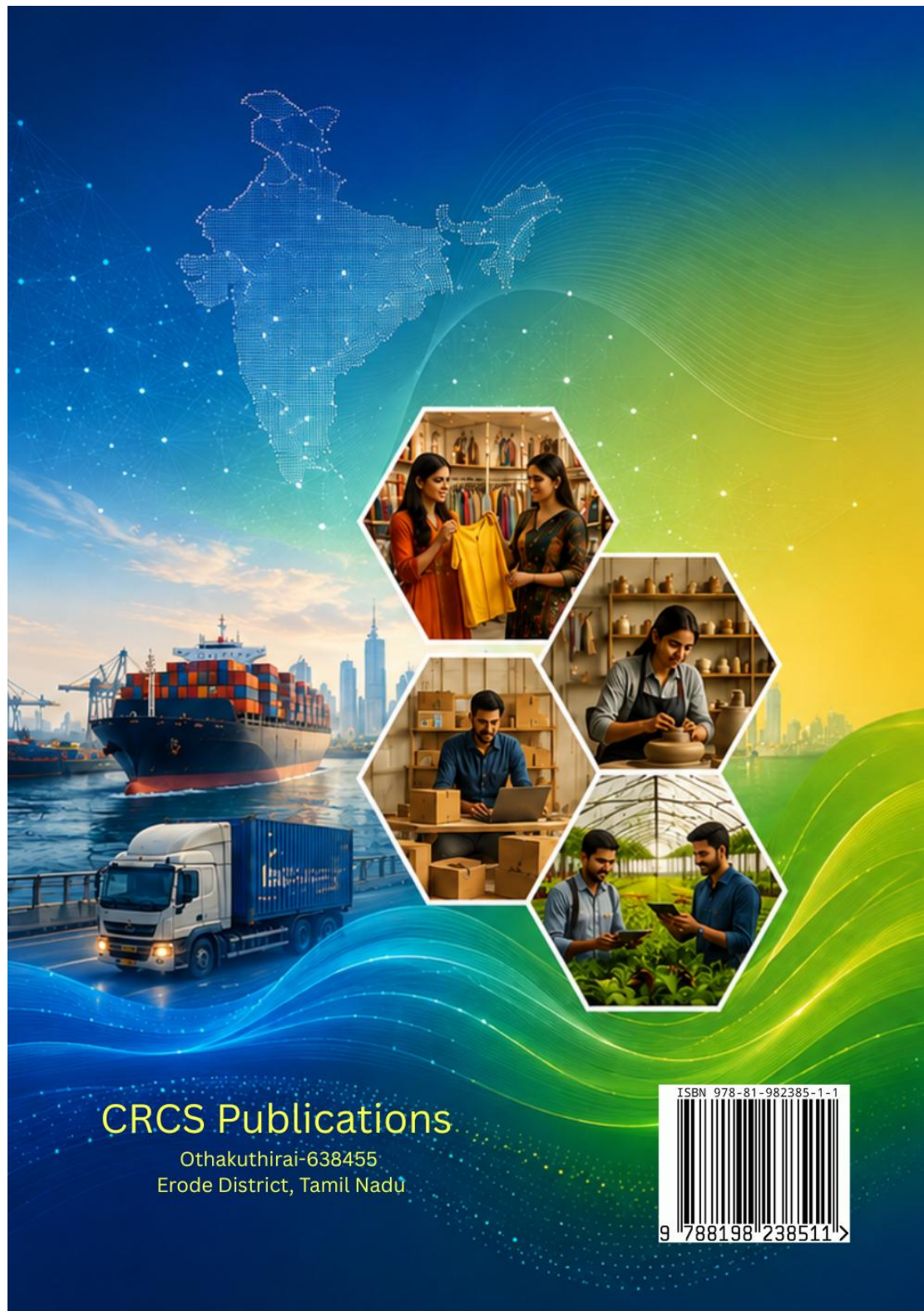




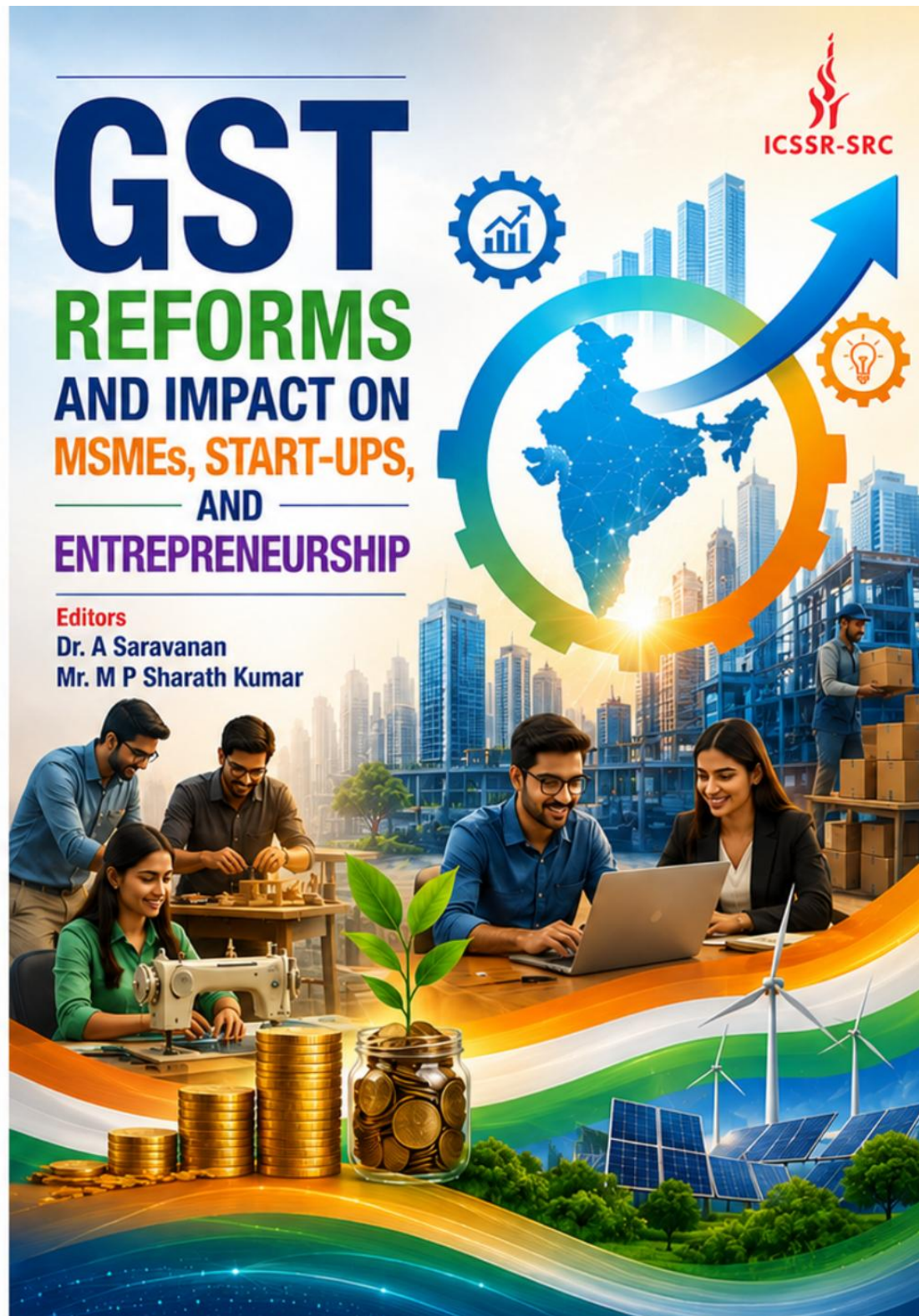
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GST REFORMS AND IMPACT ON MSMEs, START-UPS, AND ENTREPRENEURSHIP

Editors

Dr. A Saravanan

Mr. M P Sharath Kumar

GST Reforms and Impact on MSMEs, Start-ups, and Entrepreneurship

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GST Policy Alignment Towards Viksit Bharat 2047: Opportunities for Organic Food Start-Ups

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ABSTRACT

In India, the Goods and Services Tax (GST) has become a revolutionary tax reform that streamlines indirect taxation and unifies the country's market. GST regulations are anticipated to be crucial in promoting innovation, entrepreneurship, and sustainable economic growth as India moves closer to the goal of Viksit Bharat 2047. The organic food industry is one that has enormous potential in this regard. Organic food items are in high demand due to growing consumer awareness of environmental sustainability, health, and chemical-free farming methods. To access larger consumers, startups in the organic food industry are utilizing digital platforms, e-commerce channels, and creative supply chains. This change has been made easier by GST's digital compliance tools, streamlined tax structures, and open business procedures. This study looks at how GST policy alignment helps organic food start-ups expand and advances India's long-term development goals. It draws attention to the potential brought about by export promotion, digital taxation, and increased market accessibility. The report also addresses the difficulties faced by entrepreneurs in the organic food industry and offers legislative solutions to improve GST's ability to foster sustainable start-up ecosystems. The results show that GST reforms can boost India's progress toward Viksit Bharat 2047 and greatly speed the expansion of organic food businesses.

Keywords: GST, Organic Food, Start-ups, Digital Entrepreneurship, Viksit Bharat 2047

INTRODUCTION

Significant structural changes intended to boost entrepreneurship and increase company efficiency have been the main forces behind India's recent economic revolution. The 2017 implementation of the Goods and Services Tax (GST), which replaced several indirect taxes with a single taxation structure, stands out among these measures. GST has made it easier to comply with tax laws, increased transparency, and made it possible for companies to conduct business across state lines. Emerging industries, such as the manufacturing and distribution of organic food, now have more opportunities thanks to these reforms. Due to rising consumer awareness of environmental sustainability, food safety, and health, the organic food sector in India has grown significantly. Organic products, which are devoid of chemical pesticides, fertilizers, and genetically modified organisms, are becoming more and more popular among consumers. Numerous entrepreneurs have been inspired to

launch start-ups centered on organic farming, processing, and retailing by this increasing demand. This movement has received further assistance from government programs like the Paramparagat Krishi Vikas Yojana (PKVY) and the National Programme for Organic Production (NPOP). By streamlining taxes, promoting digital compliance, and easing e-commerce integration, GST has helped organic food startups grow. These advancements are in line with the larger national objective known as Viksit Bharat 2047, which is to create a developed economy by that year. In this regard, sustainable entrepreneurship and innovation in the organic food industry might be stimulated by GST policy harmonization.

CONCEPTUAL FRAMEWORK

The interaction between GST reforms, digital entrepreneurship, and the expansion of organic food start-ups forms the basis of this study's conceptual framework. GST serves as a tool for policy that unifies the country's market and streamlines the indirect tax structure. By lowering entrance barriers and facilitating effective business operations across the nation, this environment promotes entrepreneurial activity. GST offers an open, technologically advanced compliance framework that facilitates digital business operations for organic food start-ups. Efficiency and accountability in company transactions are enhanced by the integration of GST with online tax filing systems, electronic invoicing, and input tax credit procedures. Startups that depend on digital supply chains and e-commerce platforms will especially benefit from these digital capabilities.

The framework also emphasizes how the market for organic food is shaped by consumer demand and sustainability trends. Demand for organic products has increased as people become more conscious of health and environmental issues. In response to increasing need, startups are creating creative business models that use digital platforms to link farmers, processors, and consumers. In the end, the conceptual framework shows how GST regulations can help organic food start-ups and advance the larger objectives of Viksit Bharat 2047 when paired with digital entrepreneurship and sustainable consumer habits.

OPPORTUNITIES FOR ORGANIC FOOD START-UPS UNDER GST

By streamlining the tax system and encouraging ease of doing business, GST has opened up a number of opportunities for organic food start-ups. The removal of several indirect taxes, including excise duty, value-added tax, and service tax, is one of the main benefits. Entrepreneurs may concentrate more on innovation, production, and market expansion thanks to this unified tax structure, which also lessens administrative expenses. The integration of GST with digital platforms is another important potential. The digitalization of corporate processes is supported by the GST Network (GSTN), which makes online registration, tax filing, and compliance possible. This solution guarantees clear transactions and effective tax management, which is advantageous for organic food start-ups that use e-commerce platforms. By eliminating state-level tax obstacles, this digital ecosystem also makes it easier to access national markets. Additionally, GST makes organic food items more competitive for export. Startups can lower manufacturing

costs and enter foreign markets with the help of input tax credits and zero-rated exports. GST regulations can assist business owners in taking advantage of India's significant potential in the global organic food sector. Additionally, GST encourages formalization and transparency in the organic food industry. Funding, government assistance programs, and investment opportunities are more easily accessible to formalized firms. Therefore, GST is essential to the growth of organic food start-ups and their contribution to sustainable economic development.

CHALLENGES FACED BY ORGANIC FOOD START-UPS

Organic food start-ups encounter a number of difficulties adjusting to the new tax structure, notwithstanding the benefits presented by GST. The difficulty of compliance processes for small firms is one of the main problems. To properly handle GST registration, tax filing, and documentation requirements, many start-ups lack the necessary technological know-how. The expense of digital compliance is another difficulty. Even while GST encourages digitalization, small-scale organic food business owners could find it challenging to make investments in professional services, accounting software, and technology infrastructure. These extra fees have the potential to raise operating costs and put fledgling enterprises under financial strain. Startups in the organic food industry also have to deal with supply chain management and certification regulations. It takes effort and money to maintain organic standards and get certifications from regulatory bodies. These restrictions could become onerous for small business owners when coupled with GST compliance demands. Additionally, organic food producers still require more education and understanding about the benefits and procedures of GST. Start-ups may not be able to fully take advantage of the benefits provided by the GST system due to a lack of knowledge regarding input tax credit, export incentives, and digital compliance tools. The effectiveness of GST in encouraging organic food start-ups can be increased by addressing these issues through supporting policies, capacity-building initiatives, and streamlined compliance procedures.

POLICY IMPLICATIONS FOR VIKSIT BHARAT 2047

Viksiti Bharat 2047 places a strong emphasis on inclusive entrepreneurship, technical innovation, and sustainable economic growth. In this regard, GST regulations must be in line with the overarching objective of assisting developing industries like sustainable agriculture and organic food production. A supportive ecosystem that promotes innovation and investment in organic food start-ups can be established through effective policy alignment. Simplifying GST compliance processes for small and medium-sized businesses is one significant policy effect. Entrepreneurs can more successfully adjust to GST rules by implementing user-friendly digital platforms, streamlined return filing processes, and focused training initiatives. By taking these steps, more start-ups will be encouraged to enter the formal sector and compliance requirements will be lessened. Promoting organic food companies focused on exports is another crucial policy initiative. The government can make Indian organic food products more competitive

abroad by bolstering export incentives, streamlining certification procedures, and facilitating access to international markets. Both economic expansion and environmental sustainability will benefit from this. Additionally, a solid basis for innovation-driven growth can be established by combining GST laws with digital entrepreneurship programs like Start-up India and Digital India. India may go closer to realizing the goal of Viksit Bharat 2047 by assisting organic food start-ups with advantageous tax laws and digital infrastructure.

CONCLUSION

India's indirect taxes system has undergone significant change thanks in large part to GST, which has also helped to create a transparent, effective, and technologically advanced corporate climate. By streamlining tax systems, encouraging digital compliance, and enabling access to both domestic and foreign markets, GST offers organic food start-ups a plethora of prospects. These benefits allow business owners to innovate, grow their companies, and support long-term economic growth. Start-ups in this industry have a lot of potential due to the rising demand for organic food items, which is being driven by increased environmental and health consciousness. By encouraging digital entrepreneurship and market integration, GST policies can further enhance this potential when they are in line with more general national development objectives. Within the structured business ecosystem, organic food start-ups can gain from increased transparency, export competitiveness, and simpler access to capital. To guarantee that small business owners may fully profit from GST, however, issues including certification requirements, technological obstacles, and compliance complexity must be resolved. In this sense, policy interventions that emphasize digital infrastructure development, streamlined processes, and capacity creation are crucial. All things considered, GST policy alignment with Viksit Bharat 2047's goal can greatly boost the expansion of organic food start-ups and support an innovative and sustainable economy.

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