



# No GST is applicable on free food supplied in anna kshetras run by religious institutions; prasadam supplied by religious places like temples, mosques, churches, gurudwaras, dargahs, etc. attracts Nil CGST and SGST or IGST, as the case may be.

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There are media reports suggesting that GST applies on free food supplied in anna kshetras run by religious institutions. This is completely untrue. **No GST is applicable on such food supplied free.**

Further, prasadam supplied by religious places like temples, mosques, churches, gurudwaras, dargahs, etc. attracts Nil CGST and SGST or IGST, as the case may be.

However, some of the inputs and input services required for making prasadam would be subject to GST. These include sugar, vegetable edible oils, ghee, butter, service for transportation of these goods etc. Most of these inputs or input services have multiple uses. Under GST regime, it is difficult to prescribe a separate rate of tax for sugar, etc. when supplied for a particular purpose.

Further, GST being a multi-stage tax, end use based exemptions or concessions are difficult to administer. Therefore, GST does not envisage end use based exemptions. It would, therefore, not be desirable to provide end use based exemption for inputs or input services for making prasadam or food for free distribution by religious institutions.

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**DSM/SBS/KA**

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