

**GUJARAT AUTHORITY FOR ADVANCE RULING  
GOODS AND SERVICES TAX  
D/5, RAJYA KAR BHAVAN, ASHRAM ROAD,  
AHMEDABAD – 380 009.**



**ADVANCE RULING NO. GUJ/GAAR/R/2025/64**  
(IN APPLICATION NO. Advance Ruling/SGST&CGST/2025/AR/30)

Date: **23** / 12/2025

Name and address of the applicant	:	SADBHAVNA SEVA FOUNDATION, SADBHAVNA SEVA TRUST, SHEETAL PARK, B/H RAMBHAMA VADI, 150 FT RING ROAD, RAJKOT, GUJARAT, 360007
GSTIN of the applicant	:	242500001285ARY (User-id and Un-registered)
Jurisdiction Office	:	-
Date of application	:	30.07.2025
Clause(s) of Section 97(2) of CGST/IGST Act, 2017, under which the question(s) raised.	:	(a,b,e,g)
Date of Personal Hearing	:	04.12.2025
Present for the applicant	:	Sumit Shingala, Chartered Accountant

**Brief facts:**

M/s Sadbhavna Seva Foundation, Sadbhavna Seva Trust, Sheetal Park, B/h Rambhama Vadi, 150 Ft Ring Road, Rajkot, Gujarat, 360007 [for short – ‘applicant’] is not registered under the GST Act.

2. The applicant is a company incorporated u/s. 8 of the Companies Act, 2013, duly recognised by way of Registration u/s 12AB of Income-tax Act, 1961 vide Registration No. CIT (EXEMPTION), AHMEDABAD/12AA/2020-21/A/10604 with the following remarks:

*III. After considering the material available on record, the applicant trust society/ non profit company is hereby granted registration with salient activities as Yoga, Medical relief, Preservation of environment (including watersheds, forests and wildlife), Advancement of any other object of general public utility and the provisions of sections 11 and 12 shall apply in the case from the Assessment Year: 2020-21.*

3. They are engaged in Charitable Activities, including preservation of environment by way of Plantation of Trees and Maintenance of trees. The Terms





"Tree" / "Trees", referred in the present application, includes "Plants", "Trees", "Shrubs" and/or "Hedges". The activity of Plantation and Maintenance of Trees, inter alia, involves, Avenue Plantation, which further involves, digging of ground and making of basin, weeding, and removal of undesirable vegetation, hoeing, cleaning, levelling, watering of plants, spreading of manure/fertilizer/soil conditioners, filling/re-filling of soil, application of pesticide/insecticide/anti-termite, trimming and/or shaping including cutting for the sake of avoiding damage to hedgers/trees, taking measures to ensure survival of the Plantation, removal and replacement of dead plants, supporting plant/tree with bamboo or arranging other supports including tree guards, and generally to do anything incidental, ancillary or subservient to the principal object of Plantation of Trees and Post-Plantation Maintenance.

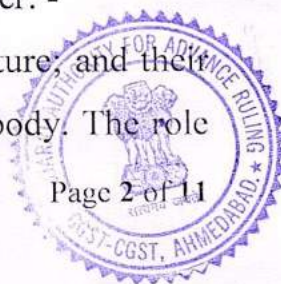
4. The applicant has submitted that their main objects as contained in Trust Deed, contains: "Tree Plantation and Maintenance". Till date, the applicant has, under the common umbrella of "Sadhbhavna NGO", which inter alia includes Sadhbhavna Seva Foundation, planted and/or maintained 70 Lakhs trees. It includes, plantation and maintenance of trees, as part of tenders floated by various Municipal Corporations, and Highway Authorities.

5. The applicant, therefore, wants a ruling on the following questions: -

1. *Whether, in the facts and circumstances of the case, the entry no. 1 of Notification No. 12/2017 (as amended from time to time) applies to the charitable activity of plantation and maintenance of tree (more particularly described in the Statement of Relevant Facts), by the applicant being a Charitable Institution, duly recognized u/s. 12AA of the Income-tax Act, 1961 for Preservation of Environment?*
2. *Whether, in the facts and circumstances of the case, the applicant being a Charitable Institution, duly recognized u/s. 12AA of the Income-tax Act, 1961, is liable to pay tax on charitable activity of plantation and maintenance of tree? If yes, then to what extent and at what rate?*

6. The applicant's submissions and interpretation of law is as under: -

- (a) Trees can be best described as lungs of mother nature, and their importance is no shorter than that of lungs in human body. The role





that tree plays, and the magnitude with which it plays, is irreplaceable and invaluable. With the constant expansions of urban areas, and shrinking forest area, the planting of more trees is not just the need of the hour, but it would be fatal to the very existence of human beings, if tree cover is not restored on earth.

(b) India has formulated the National Forest Policy, 1988, which was reviewed and continued in 2010. The policy seeks to achieve and intends among other things:

- preservation, expansion and restoration of TREE COVER - by more tree plantation.
- Making it a massive people's movement, for achieving objectives of policy to minimize pressure on existing forests.
- Increasing substantially the forest/tree cover in the country through massive afforestation and social forestry programmes, especially on all denuded, degraded and unproductive lands.

The Policy acknowledges that TREE COVER helps towards achieving environmental stability and maintenance of the ecological balance.

(c) The Forest Policy Division of Ministry of Environment & Forests, on 27/12/2012, issued the Report of the Committee, constituted to study the regulatory regime regarding felling and transit regulations for tree species, grown on private land wherein it was emphasised to expand significantly the community/ social forestry outside traditional forests requires bringing together of all stakeholders foresters, farmers, landowners, wood based industries, scientists, financial institutions and communities; necessity for encouraging the planting of trees alongside of roads, railway lines, rivers and streams and canals, and on other unutilized lands under State/Corporate, institutional or private ownership. Green belts should be raised in urban/industrial areas as well as in arid tracts for helping in checking erosion and desertification as well as improve the micro-climate."





(d) The Government of Gujarat, for the purpose of Increasing the TREE COVER, has floated *Harit Van Path Yojna* on PPPs basis, whereby Tree Plantation is undertaken on sides of roads. Through an MOU entered into by the Government of Gujarat with Sadbhavna Vruddhashram - a Constituent of the applicant Trust, during Vibrant Gujarat Summit 2024, 40,000 plantations were envisioned from Dwarka to Somnath, on 50:50 PPP Basis - which has been successfully achieved.

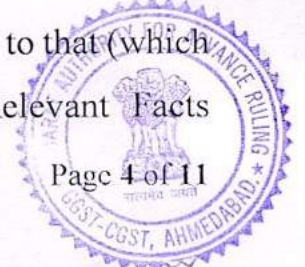
(e) The Manav Seva Charitable Trust is a sister arm of the applicant and is lovingly known as Sadhbhavna NGO in general public and Government. For the year 2025-26, the Government, has, under the Harit Van Path Yojna, envisioned 7,62,712 Trees to be planted and maintained, and the task is entrusted to Sadbhavna Vruddhashram-of Manav Seva Charitable Trust, on PPP Basis, with parking of Rs.113.65 Crores, marking it to be a "special case".

(e) The applicant, thus, is doing its best in the line with the objectives of the National Forest Policy, 1988, and attempting to meet the need of the hour to plant and maintain trees in non-forest areas like unutilized barren lands, Road Sides, amidst lane dividers, on private lands, and every available patch on land, in its reach, where TREE can be sustainably planted and preserved.

(f) The Entry no. 1 of Notification No. 12/2017 (as amended from time to time), describes that "*Services by an entity registered under section 12AA or 12AB of the Income-tax Act, 1961 (43 of 1961) by way of charitable activities.*"- shall be taxable at Nil Rate. The term "*Charitable Activities*", as defined in the said notification includes activities relating to preservation of environment including watershed, forests and wildlife.

(g) The applicant is a non-profit organization, having been allotted Registration u/s. Sec. 12AA of Income-tax Act, 1961. Also, the Donations given to applicant are recognized for the purpose of Section 80G.

(h) It is the bona fide belief and contention of the applicant, that its activity of PLANTATION and MAINTANANCE of TREES, including activities incidental, ancillary and subservient to that (which are more particularly described in Statement of Relevant Facts





hereinabove), is squarely covered by Entry No. 1 of Notification No. 12/2017 (as amended from time to time), and is accordingly subject to NIL Rate.

(i) The contention of the applicant is further strengthened by the decision of Hon'ble Authority For Advance Ruling, Gujarat in case of Vikas Centre For Development, in Re: [2023] 146 taxmann.com 398 (AAR - GUJARAT) where, the activity of Planting and Maintenance of Tree (Mangroves) is held to be falling within Entry No. 1 of Notification No. 12/2017 (as amended from time to time), and is accordingly subject to NIL Rate.

7. Personal hearing was granted on 04.12.2025 wherein Shri Sumit Shingala, Chartered Accountant appeared on behalf of the applicant and reiterated the facts & grounds as stated in the application. On a query regarding the relation between Sadhbhavna Vrudh Ashram and Sadhbhavna Seva Foundation, the applicant vide letter dtd. 08.12.2025 has submitted that 'Sadhbhavna Vrudh Ashram' is not an entity in itself, but is a social recognition to the activities initiated and upbrought by the Manav Seva Charitable trust. People fondly refer the trust, as well as later constituents carrying on similar activities, as sister arm of the trust i.e. Sadhbhavna Seva Foundation (a Sec. 8 company), by 'Sadhbhavna Vrudh Ashram'. The Sadhbhavna Seva Foundation, although a sister arm of Manav Charitable Trust ('Sadhbhavna Vrudh Ashram'), is not a subsidiary of Manav Seva Charitable Trust. The Manav Seva Charitable Trust and the Sadhbhavna Seva Foundation are legally as well as functionally distinct and independent institutions. They perform the work undertaken by them independently of each other. It is not a case that the work taken up by any of them is sub-let or passed over or assigned to another and that way it is accomplished.

### **Discussion and findings**

8. At the outset, we would like to state that the provisions of both the CGST Act and the GGST Act are the same, except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provisions under the GGST Act.





9. We have considered the submissions made by the applicant in their application for advance ruling as well as the submissions made both oral and written during the course of personal hearing. We have also considered the issue involved, the relevant facts & the applicant's submission/interpretation of law in respect of question on which the advance ruling is sought.

10. We find that the Government of Gujarat has floated "*Harit Van Path Yojna*" on PPP basis for increasing the Tree Cover by undertaking tree plantation on the sides of roads and vacant land. As per the Resolution No. FED/MSM/e-file/6/2025/1152/M Section dtd. 16.07.2025 issued by the Forests and Environment Department, Government of Gujarat, Sadhbhavna Vrudh Ashram-Manav Seva Charitable Trust has been selected to plant 7,62,712 trees on PPP basis at Kutch/ Saurashtra as well as other districts along both sides of the road, coastal highways and other vacant lands. For the said work, the trust would be paid as under: -

Sl. No.	Year	Scope of work	Amount
1	2025-26	Planting of trees	Rs. 1180 x 762712 = Rs. 90 crores
2	2026-27	1 <sup>st</sup> year maintenance	Rs. 224 x 762712 = Rs. 17.09 crores
3	2027-28	2 <sup>nd</sup> year maintenance	Rs. 86 x 762712 = Rs. 6.56 crores
Total amount to be paid in three years			Rs. 113.65 crores

Any expenses incurred apart from the above would have to be borne by the applicant themselves. The other conditions are that the plantation would be under the directions of the Forests and Environment Department; the trees to be planted would be long lasting, multipurpose, indigenous trees; pits measuring 45 x 45 x 45 cm would be dug at 10 x 10 mtr distance, the soil enriched and a plant measuring 6 to 8 feet would be planted inside an 8 feet high tree guard; necessary silviculture operations to be conducted every year along with regular watering of plants; 100% of the plants have to be planted and maintained; all the plants would be required to be kept alive and healthy; the project would be for three years; in the fourth year, 100% plants in healthy condition should be handed over by the applicant to the Forests and Environment Department; the monitoring of the work would be done by a third party; etc.





11. The applicant is a sister arm of Manav Charitable Trust and will be involved in similar activities as mentioned above. The applicant would also be involved in planting and maintaining trees in non-forest areas like unutilised barren lands, road sides, amidst lane dividers, on private lands and every available patch of land in its reach, where the tree can be sustainably planted and preserved. The applicant has sought a ruling as to whether the above said activity would be covered under Sl. No. 1 of Notification No. 12/2017-CT(R) dtd. 28.06.2017, as amended. The said entry reads as under: -

<b>Sl. No.</b>	<b>Chapter, Section, Heading, Group or Service Code (Tariff)</b>	<b>Description of Services</b>	<b>Rate (per cent.)</b>	<b>Condition</b>
(1)	(2)	(3)	(4)	(5)
1	Chapter 99	Services by an entity registered under section 12AA or 12AB of the Income-tax Act, 1961 (43 of 1961) by way of charitable activities.	Nil	Nil

As per Clause 2(r) of the notification 12/2017 CT(R), charitable activities are defined as under: -

(r) "charitable activities" means activities relating to –

(i) public health by way of, -

(A) care or counselling of

(I) terminally ill persons or persons with severe physical or mental disability;

(II) persons afflicted with HIV or AIDS;

(III) persons addicted to a dependence-forming substance such as narcotics drugs or alcohol; or

(B) public awareness of preventive health, family planning or prevention of HIV infection;

(ii) advancement of religion, spirituality or yoga;

(iii) advancement of educational programmes or skill development relating to, -

(A) abandoned, orphaned or homeless children;

(B) physically or mentally abused and traumatized persons;





(C) prisoners; or

(D) persons over the age of 65 years residing in a rural area;

(iv) preservation of environment including watershed, forests and wildlife;

12. Therefore, for being covered under the said entry, the following conditions have to be fulfilled: -

(a) The entity should be registered under Section 12AA or 12AB of the Income Tax Act, 1961.

(b) the services provided should fall under the definition of charitable activities as defined in the notification.

13. We find that the applicant has submitted a copy of the Memorandum of Association dtd. 28.12.2019, wherein the objects to be pursued by the Company would be as under: -

- *To build, operate and manage old age home, to provide Food, shelter and clothing for needy aged, medical care and other activities like Yoga and physical exercises to improve the health of the persons.*
- *To provide, guide, educate and to create health awareness program and to make, develop, build, promote Health Care Centre for the underprivileged public.*
- *To provide primary health care to slum dwellers at a nominal cost, if and when required, and to make it accessible to all by providing the same at their doorsteps with particular attention to the child health care, adolescent girls, women and to create health awareness among the underprivileged children, girls and women.*
- *To provide, assist and to create helpline/helpdesk for secondary and other complicated cases of health problems, networking with various related agencies in the local area and supporting it with whatever is necessary for providing medical aid and guidance.*
- *To carry out activities of plantation and to create awareness about a clean environment, Planned Parenthood, and immunizations of all children against most dreaded communicable diseases and to impart knowledge about health, economical food, proper diet, clean drinking water and improvisation.*
- *Early intervention to children with special needs in integrated manner with proper education and guidance to the public enabling them to be competent to take care of themselves.*
- *To prevent cruelty and secure the welfare of animals throughout India.*
- *To build, operate and manage animal Hostels and panjrapoles and to give shelter to birds and animals in sickness and old age.*
- *To take care of the animals and Special care to rescued or stray bovine animals. To initiate, promote, and advance legislative and other measures, calculated to encourage kindness.*





*discourage cruelty, and stimulate human sentiment towards the care and treatment of animals.*

- *To create awareness about the helpline and ambulance services so that sick and wounded animals may receive timely aid.*
- *To work for overall upliftment of Socio-economic status of Economically Backward population including Tribal Population having income below the poverty line for achieving their social and economic transformation by imparting knowledge of Agricultural advancement, improvements and modern scientific farming, plants seeds and literature; through Vocational Education, Skill Development and its upgradation; by promoting Women Empowerment and financial support; by providing scholarship, free education, reimbursement of fees, shelter and food during education and vocational training period to orphans, minors and destitute females.*

Thus, as per the MOA, the objectives of the applicant are mainly charitable activities extending to social activities, educational activities, health and medical related activities, prevention of cruelty to animals, their welfare and upliftment of Socio-economic status of the backward class. One of the objectives, apart from the above, is tree plantation activities and to create awareness about a clean environment. We, further, find that though the applicant in their submission has mentioned that they are duly recognized under section 12AA of the Income-tax Act, 1961, but as per Form No.10AC dtd. 24.09.2021 produced by the applicant, they are registered under Section 12 AB of the Income Tax Act, 1961. The said registration is valid for the Assessment Year 2022-23 to 2026-27. Therefore, the first condition stands fulfilled.

14. As per the definition of charitable activities mentioned in Clause 2(r) of the notification No. 12/2017-CT(R) dtd. 28.06.2017, activities related to preservation of environment including watershed, forests and wildlife fall under the ambit of charitable activities. Govt of India formulated 'The National Forest Policy, 1988' with the **principal aim to ensure environmental stability** and maintenance of ecological balance including atmospheric equilibrium, which are vital for sustenance of all lifeforms, human, animal and plant. The objectives of the policy are maintenance of environmental stability through preservation and restoration of the ecological balance that has been adversely disturbed by serious depletion of the forests of the country; conserving the natural heritage of the country by preserving the remaining natural forests; checking soil erosion and denudation in the catchment areas of rivers, lakes, reservoirs; checking the extension of sand-dunes; **increasing substantially the forest/tree cover in the country through massive afforestation**





and social forestry programmes; meeting the requirements of fuel-wood, fodder, minor forest produce and small timber of the rural and tribal populations; increasing the productivity of forests to meet essential national needs; Encouraging efficient utilisation of forest produce and maximising substitution of wood, and creating a massive people's movement. As per the Policy, one of the strategy for increasing the forest cover is to encourage the planting of trees alongside of roads, railway lines, rivers and streams and canals, and on other unutilised lands under State/corporate, institutional or private ownership, which will check erosion and desertification as well as improve the microclimate (Para 4.2.2 of the Policy).

As part of this initiative, the Gujarat Government had launched the “*Harit Van Path Yojna*” on PPP basis for increasing the tree cover and providing greenery along both sides of the roads in 2025-26. Thus, the objective of the scheme is for the preservation of environment. Further, the applicant would in line with the objectives of the National Forest Policy, 1988 attempt to plant and maintain trees in non forest areas like unutilised barren lands, road sides, amidst lane dividers, on private lands and every available patch of land in its reach, where the tree can be sustainably planted and preserved. In our opinion, the said activities, which are as per the National Forest Policy, 1988, is necessary for the preservation of environment and therefore, fall under the definition of charitable activities mentioned in Notification No. 12/2017-CT(R) dtd. 28.06.2017. Therefore, the second condition of the notification also stands fulfilled.

15. We also find that this authority had in the case of *Vikas Centre for Development*, in Re: [2023] 146 taxmann.com 398 (AAR - GUJARAT) has held that the activity of Planting and Maintenance of Tree (Mangroves) falls within Entry No. 1 of Notification No. 12/2017 dtd. 28.06.2017, as amended, and is accordingly exempt from GST. Therefore, we are of the opinion that the applicant would be covered under Sl. No. 1 of Notification No. 12/2017-CT(R) dtd. 28.06.2017, as amended and would be eligible for exemption from payment of GST.

16. In view of the foregoing, we rule as under: -

### RULING

*Ques-1. Whether, in the facts and circumstances of the case, the entry no. 1 of Notification No. 12/2017 (as amended from time to time)*





applies to the charitable activity of plantation and maintenance of tree (more particularly described in the Statement of Relevant Facts), by the applicant being a Charitable Institution, duly recognized u/s. 12AA of the Income-tax Act, 1961 for Preservation of Environment?

Ans-1

Yes, Sl. no. 1 of Notification No. 12/2017 dt. 28.06.2017, as amended, will apply to the charitable activity of plantation and maintenance of tree by the applicant, being a Charitable Institution, duly recognized u/s. 12AB of the Income-tax Act, 1961, for the preservation of environment. The activities covered are planting and maintaining trees in non-forest areas like unused barren lands, road sides, amidst lane dividers, on private lands and every available patch of land in its reach, where the tree can be sustainably planted and preserved.

Ques-2

Whether, in the facts and circumstances of the case, the applicant being a Charitable Institution, duly recognized u/s. 12AA of the Income-tax Act, 1961, is liable to pay tax on charitable activity of plantation and maintenance of tree? If yes, then to what extent and at what rate?

The applicant would be eligible for exemption from payment of GST under Sl. no. 1 of Notification No. 12/2017 dt. 28.06.2017, as amended.

(Sushma Yora)  
Member (SGST)

Place: Ahmedabad  
Date: 23.12.2025



(Vishal Malani)  
Member (CGST)

Vishal