

SADBHAVNA SEVA FOUNDATION

Authority for Advance Ruling — Gujarat

GUJ/GAAR/R/2025/64

Dated 23.12.2025

Q Questions Before the Authority

- 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?
- 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?

F Facts

The applicant is a non-profit company registered under Section 12AB of the Income-tax Act, 1961, engaged in charitable activities including tree plantation. They have been selected by the Government of Gujarat under the Harit Van Path Yojna to plant and maintain trees on a public-private partnership basis along roads and highways. The applicant sought a ruling on whether these activities qualify for GST exemption as charitable activities.

H Ruling

Applicability of Entry 1 of Notification 12/2017	Yes, it applies to the charitable activity of plantation and maintenance of trees.	Subject to the applicant being a registered charitable institution under Section 12AA/12AB of the Income-tax Act.
Liability to pay GST	The applicant is not liable to pay tax on the charitable activity of plantation and maintenance of trees.	Eligible for exemption from payment of GST under Notification 12/2017.

The Authority ruled that the applicant's activities of tree plantation and maintenance qualify as charitable activities related to the preservation of the environment. Consequently, the services are eligible for exemption from GST under the relevant notification. The applicant is not liable to pay tax on these activities.

R Reasoning

The Authority determined that the applicant is a registered charitable institution under Section 12AB of the Income-tax Act, 1961. It held that tree plantation and maintenance fall under the definition of charitable activities related to the **preservation of environment** as specified in the notification. Relying on the National Forest Policy, 1988, the Authority concluded that these activities are essential for environmental stability. It also cited a previous

ruling in the case of Vikas Centre for Development to support the **exemption from GST** under Entry 1 of Notification No. 12/2017.

P Provisions Relied On

Section 97(2) of CGST/GGST Act, 2017

Section 12AA/12AB of the Income-tax Act, 1961

Entry No. 1 of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017

! For the Practitioner

This ruling confirms that tree plantation and maintenance services provided by a registered charitable institution are **exempt from GST**. It provides a clear precedent for NGOs and charitable trusts engaged in environmental conservation projects under government schemes. Practitioners should note that the exemption is strictly contingent upon the entity holding valid registration under Section 12AA or 12AB of the Income-tax Act.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> 5-sadbhavana_seva_foundation.pdf

Prepared 12-10-2026.

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