# *MATRIX OF LEGAL PROVISIONS*

***Health Security se National Security Cess Act, 2025 & Rules, 2026***

***(Act, Rules, Notifications, Orders, Circulars & Advisories – up to 27.10.2026)***

**UPDATED ON 27.10.2026**

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| Section 38 | Protection of action taken in good faith | ○ *None issued so far* | **10** |
| Section 39 | Power to remove difficulties | ○ *None issued so far* | **10** |
| **▶ SCHEDULES AND OTHER INSTRUMENTS** | | *Rule 12 and Rule 16 (computation by reference to Schedule II).* | **10** |
| Sch. I | Specified goods (pan masala, tariff item 2106 90 20; any other goods notified) | ○ *None issued so far* | **10** |
| Sch. II | Amount of cess (Table 1: machine-based; Table 2: wholly manual, Rs 11 lakh per month per factory) | ○ *None issued so far* | **10** |
| General | Portal and other advisories (not section-specific) | ● 3 Circular/Order/Advisory | **10** |

## 1. About this Matrix

**The Health Security se National Security Cess Act, 2025 (Act No. 35 of 2025)** received the assent of the President on 15.12.2025 and was published in the Gazette of India (Extraordinary, Part II, Section 1, No. 59) on 16.12.2025. It came into force on 01.02.2026. The Health Security se National Security Cess Rules, 2026 were notified on 01.01.2026 (Notification No. 01/2026-HSNS Cess, G.S.R. 2(E)) and have been amended twice (Notification Nos. 02/2026 and 03/2026-HSNS Cess). This matrix is current up to 27.10.2026.

### (i) Colour Coding Scheme Used in the Document

| | | | | | |
|---|---|---|---|---|---|
| | Indicates currently valid notification | | Currently valid Circulars / Orders / Instructions / Advisories | | Chapter No. and heading |
| | Indicates Superseded / Rescinded notification / Order / Circular | | Indicates that no notification / circular / order / instruction has been issued so far | | Section No. and its heading |

### (ii) Key Figures at a Glance

| 9 | 39 | 2 | 35 | 9 | 2 |
|---|---|---|---|---|---|
| CHAPTERS | SECTIONS | SCHEDULES | RULES | FORMS | RULE AMENDMENTS |

| 4 | 3 | 7 | 1 | 30 | 0 |
|---|---|---|---|---|---|
| NOTIFICATIONS | ORDERS | ADVISORIES | INSTRUCTION | SECTIONS – NO INSTRUMENT YET | SUPERSEDED / RESCINDED |

**How to use this matrix**

- Click any Chapter or Section in the Index to jump straight to its row in the matrix.
- Every Chapter band carries a ▲ INDEX link, and every page footer a ◀ Go to INDEX link, to come back.
- The coloured bar at the left edge of each instrument tells you its status at a glance (see colour coding above).
- Chapter and Section headings are also available in the Navigation Pane of Word (View ▶ Navigation Pane).

## 2. Matrix of Legal Provisions

*Chapter-wise and section-wise matrix of the HSNS Cess Act, 2025 against the Rules, Forms, Notifications, Orders, Circulars, Instructions and Advisories issued so far (as on 27.10.2026).*

| Chapter / Section No. | Heading | Notification No. and date / Circular / Instruction | Subject in brief | Remarks |
|---|---|---|---|---|
| **CHAPTER I – PRELIMINARY** | | | | ▲ INDEX |
| **Rules:** Rules 1 to 3 of the HSNS Cess Rules, 2026. | | | **Forms:** No form prescribed. | |
| Section 1 | Short title and commencement. | **S.O. 6153(E), dated 31.12.2025** | Appoints 01.02.2026 as the date on which the Act comes into force (section 1(2)). | |
| | | **Notification No. 01/2026-HSNS Cess, dated 01.01.2026 (G.S.R. 2(E))** | Rule 1(2): the Health Security se National Security Cess Rules, 2026 come into force on 01.02.2026 (see also Section 35). | |
| Section 2 | Definitions.<br>*2(l) proper officer* | **Order No. 01/2026-HSNS Cess, dated 29.01.2026** | Appointment and jurisdiction of HSNS Cess officers (Principal Chief Commissioner/Chief Commissioner down to Assistant Commissioner) under Rule 3, for section 2(l). | |
| | | **Order No. 02/2026-HSNS Cess, dated 29.01.2026 (effective 01.02.2026)** | Designates the "Proper Officers" for the Act and the Rules, under clause (l) of section 2. | |
| | | **Order No. 03/2026-HSNS Cess, dated 29.01.2026 (effective 01.02.2026)** | Officers of the Directorates General of GST Intelligence, Audit and GST appointed as HSNS Cess officers with powers of the corresponding officers across India. | |
| | *2(p) specified goods* | — | No notification issued so far under clause (p) to specify goods other than those in Schedule I (see Schedule I and section 34). | |
| **CHAPTER II – TAXABLE PERSON** | | | | ▲ INDEX |
| **Rules:** No dedicated Rule. | | | **Forms:** No form prescribed. | |
| Section 3 | Taxable person. | — | | |

| Chapter / Section No. | Heading | Notification No. and date / Circular / Instruction | Subject in brief | Remarks |
|---|---|---|---|---|
| **CHAPTER III – HEALTH SECURITY SE NATIONAL SECURITY CESS** | | | | ▲ INDEX |
| **Rules:** Rule 12, Rules 15 to 17 and Rule 35. | | | **Forms:** No form prescribed for levy; see FORM HSNS DEC-01, CE-01, RET-01. | |
| **Section 4** | **Levy and collection of cess.** *4(3) exemption* | — | | |
| **Section 5** | **Manner of computation of cess.** | **Notification No. 02/2026-HSNS Cess, dated 30.01.2026 (G.S.R. 78(E))** | First Amendment Rules, 2026: Explanation to rule 12(2) giving the formula S = (R/G) x n for maximum rated speed;<br>Illustration 2 under rule 16 substituted (abatement for July and August now Rs 1,43,35,484).<br>Effective 01.02.2026. | |
| | | **Advisory No. 09/2026, dated 05.06.2026** | Filing procedure for sealing/de-sealing requests on the Portal (HSNS INT-01/INT-02) for abatement under section 5(7) and rules 15 and 17. | |
| **Section 6** | **Power of Central Government to increase amount of cess in special circumstances.** | — | | |
| **Section 7** | **Purpose of levy of cess.** | **Notification No. 02/2026-HSNS Cess, dated 30.01.2026 (G.S.R. 78(E))** | Inserted new rule 35 (Utilisation of cess) after rule 34: credit to the Consolidated Fund of India, transfer to the Health Security se National Security Cess Fund, CAG audit. | *Rule 35 as inserted has since been amended by Notification No. 03/2026-HSNS Cess.* |
| | | **Notification No. 03/2026-HSNS Cess, dated 20.05.2026 (G.S.R. 381(E))** | Second Amendment Rules, 2026:<br>rule 35(3) (quarterly transfer) omitted;<br>rule 35(5) words "Budget Division, Department of Economic Affairs in consultation with" omitted;<br>rule 35(6) accounting vested in the Chief Controller of Accounts (Finance).<br>In force from 20.05.2026 (date of publication). | |

| Chapter / Section No. | Heading | Notification No. and date / Circular / Instruction | Subject in brief | Remarks |
|---|---|---|---|---|
| **CHAPTER IV – REGISTRATION AND RETURNS** | | | | ▲ INDEX |
| **Rules:** Rules 4 to 14 (Registration, Declaration, Payment and Returns); Rules 33 and 34. | | | **Forms:** FORM HSNS REG-01, REG-02, DEC-01, CE-01, PMT-01, RET-01 | |
| **Section 8** | **Registration, cancellation and revocation.** | **Advisory No. 01/2026, dated 28.01.2026** | HSNS Cess registration and payment procedure on the CBIC Portal (login, FORM HSNS REG-01, temporary registration number, payment). | |
| **Section 9** | **Declaration to be filed by taxable person.** | **Instruction No. 01/2026 (F. No. DGGST/TECH/1/2026-Tech), dated 10.02.2026** | SOP for verification of declarations in FORM HSNS DEC-01 (and CE DEC-01 under the Capacity Determination Rules, 2026): QCI inspections, order under rule 11 with Additional/Joint Commissioner approval under section 9(4), weekly reporting. | |
| | | **Advisory No. 04/2026, dated 09.02.2026** | Procedure for filing the HSNS declaration (FORM HSNS DEC-01). | |
| | | **Advisory No. 07/2026, dated 17.04.2026** | Procedure for filing the amendment declaration (change in machine particulars; section 9(2)). | |
| | | **HSNS Chartered Engineer Certificate (undated)** | Format/guidance for the Chartered Engineer certificate (FORM HSNS CE-01). | |
| | | **Notification No. 02/2026-HSNS Cess, dated 30.01.2026 (G.S.R. 78(E))** | Technical corrections in FORM HSNS DEC-01 and FORM HSNS CE-01 ("tracks" changed to "cups"; column references and formula note for maximum rated speed). | |
| **Section 10** | **Payment of cess and returns.** | **Advisory No. 02/2026, dated 29.01.2026** | Accounting head for payment of HSNS Cess. | |
| | | **Advisory No. 06/2026, dated 12.03.2026** | Procedure for filing the monthly return, FORM HSNS RET-01. | |
| | | **Notification No. 02/2026-HSNS Cess, dated 30.01.2026 (G.S.R. 78(E))** | Instructions to FORM HSNS RET-01: example corrected (figure "5" replaced by "4"). | |
| **CHAPTER V – AUDIT AND ASSESSMENT** | | | | ▲ INDEX |
| **Rules:** Rules 18 and 19 (Audit; Accounts and Records). | | | **Forms:** No form prescribed. | |
| **Section 11** | **Scrutiny and assessments.** | — | | |

| Chapter / Section No. | Heading | Notification No. and date / Circular / Instruction | Subject in brief | Remarks |
|---|---|---|---|---|
| Section 12 | Audit. | — | | |
| Section 13 | Power to summon persons to give evidence and produce documents. | — | | |
| Section 14 | Access to business premises. | — | | |
| Section 15 | Officers to assist proper officers. | — | | |
| Section 16 | Determination of cess not paid or short paid or erroneously refunded. | — | | |
| Section 17 | Interest payable on delay in payment of cess. | — | | |
| **CHAPTER VI – OFFENCES AND PENALTIES** | | | | ▲ INDEX |
| **Rules:** Rule 20 (Compounding of offences) and Rule 32 (Penalty for contravention). | | | **Forms:** No form prescribed. | |
| Section 18 | Penalty for certain contraventions. | — | | |
| Section 19 | Punishment for certain contraventions. | — | | |
| Section 20 | Offences by companies. | — | | |
| Section 21 | Cognizance of offences. | — | | |
| Section 22 | Presumption of culpable mental state. | — | | |
| Section 23 | Compounding of offences. | — | | |

| Chapter / Section No. | Heading | Notification No. and date / Circular / Instruction | Subject in brief | Remarks |
|---|---|---|---|---|
| **CHAPTER VII – INSPECTION, SEARCH AND SEIZURE** | | | | ▲ INDEX |
| **Rules:** Rules 21 and 22 (Seizure of goods). | | | **Forms:** FORM HSNS BND-01 | |
| **Section 24** | **Power of inspection, search and seizure.** | — | No notification/order/circular/instruction issued so far (as on 27.10.2026). | |
| **Section 25** | **Confiscation of specified goods or machines.** | — | No notification/order/circular/instruction issued so far (as on 27.10.2026). | |
| **Section 26** | **Power to arrest.** | — | | |
| **Section 27** | **Recovery of amount due and assistance of officers.** | — | | |
| **CHAPTER VIII – REVISION AND APPEALS** | | | | ▲ INDEX |
| **Rules:** Rules 23 to 31 (Appeals and Revision). | | | **Forms:** FORM HSNS APL-01 and APL-02 | |
| **Section 28** | **Revision.** | — | | |
| **Section 29** | **Appeals to appellate authority.** | — | | |
| **Section 30** | **Appeals to Appellate Tribunal.** | **Notification No. 02/2026-HSNS Cess, dated 30.01.2026 (G.S.R. 78(E))** | FORM HSNS APL-02 heading corrected: "section 61" replaced by "section 30". | |
| **Section 31** | **Appearance by authorised representative.** | — | | |
| **Section 32** | **Appeal to High Court.** | — | | |
| **Section 33** | **Appeals to Supreme Court.** | — | | |
| **CHAPTER IX – MISCELLANEOUS** | | | | ▲ INDEX |
| **Rules:** Rules 1 to 35 are made under section 35. | | | **Forms:** Forms REG-01 to APL-02 are annexed to the Rules. | |
| **Section 34** | **Power of Central Government to amend Schedule I.** | — | No notification issued so far under section 34 (adding goods to Schedule I). | |

| Chapter / Section No. | Heading | Notification No. and date / Circular / Instruction | Subject in brief | Remarks |
|---|---|---|---|---|
| Section 35 | Power to make rules. | **Notification No. 01/2026-HSNS Cess, dated 01.01.2026 (G.S.R. 2(E))** | The Health Security se National Security Cess Rules, 2026 (35 rules and 9 forms); effective 01.02.2026. | |
| | | **Notification No. 02/2026-HSNS Cess, dated 30.01.2026 (G.S.R. 78(E))** | The Health Security se National Security Cess (First Amendment) Rules, 2026; effective 01.02.2026. | |
| | | **Notification No. 03/2026-HSNS Cess, dated 20.05.2026 (G.S.R. 381(E))** | The Health Security se National Security Cess (Second Amendment) Rules, 2026; effective 20.05.2026. | |
| Section 36 | Laying before Parliament. | — | | |
| Section 37 | Effect of amendments, etc., of rules, notifications or orders. | — | | |
| Section 38 | Protection of action taken in good faith. | — | | |
| Section 39 | Power to remove difficulties. | — | No order issued so far under section 39 (not permitted after five years from commencement). | |
| **SCHEDULES AND OTHER INSTRUMENTS** | | | | ▲ INDEX |
| **Rules:** Rule 12 and Rule 16 (computation by reference to Schedule II). | | | **Forms:** No form prescribed. | |
| Sch. I | Specified goods (pan masala, tariff item 2106 90 20; any other goods notified). | — | | |
| Sch. II | Amount of cess (Table 1: machine-based; Table 2: wholly manual, Rs 11 lakh per month per factory). | — | No notification issued so far to increase the amount under section 6. | |
| General | Portal and other advisories (not section-specific). | **Advisory No. 11/2026, dated 24.06.2026** | Two-factor authentication for Central Excise, SBS and HSNS taxpayers. | |
| | | **Two-factor authentication at login (undated)** | Introduction of 2FA at the time of user login (Central Excise, HSNS Cess, Service Tax, SBS). | |
| | | **CBIC FAQs on the HSNS Cess Act and Rules** | Frequently asked questions on the Act and Rules issued by the Government (early 2026). | |

## 3. Amendments to the Rules at a glance

| Provision of the HSNS Cess Rules, 2026 | Amendment | Notification and effective date |
|---|---|---|
| **Rule 12(2)** | Explanation inserted: maximum rated speed S = (R/G) x n (R = RPM of main disc rotary motor; G = overall gear ratio; n = number of funnels (horizontal) or cups (vertical)). | No. 02/2026-HSNS Cess dated 30.01.2026 (G.S.R. 78(E)); w.e.f. 01.02.2026 |
| **Rule 16, Illustration 2** | Substituted. The original illustration (21 days, abatement Rs 1,36,83,871) is replaced by one with 22 days and total abatement Rs 1,43,35,484. | No. 02/2026-HSNS Cess dated 30.01.2026; w.e.f. 01.02.2026 |
| **Rule 35 (new)** | Inserted after rule 34: utilisation of cess (Consolidated Fund of India; Health Security se National Security Cess Fund; CAG audit). | No. 02/2026-HSNS Cess dated 30.01.2026; w.e.f. 01.02.2026 |
| **Rule 35(3), (5), (6)** | Sub-rule (3) omitted; in (5) words "Budget Division, Department of Economic Affairs in consultation with" omitted; in (6) the Chief Controller of Accounts (Finance) substituted for the Principal Chief Controller of Accounts, CBIC with CAG approval. | No. 03/2026-HSNS Cess dated 20.05.2026 (G.S.R. 381(E)); from date of publication |
| **FORM HSNS DEC-01, CE-01** | "tracks"/"track" replaced by "cups"/"cup or funnel"; column headings and cross-references corrected. | No. 02/2026-HSNS Cess dated 30.01.2026 |
| **FORM HSNS RET-01 (instructions); FORM HSNS APL-02** | Example figure "5" replaced by "4"; heading "section 61" replaced by "section 30". | No. 02/2026-HSNS Cess dated 30.01.2026 |

## 4. HSNS Cess Notifications (Superseded or Rescinded)

| Notification No and date (Rescinded or Superseded) | Subject | Rescinding / Superseding notification No. and date |
|---|---|---|
| Nil | No notification under the HSNS Cess Act has been superseded or rescinded so far (as on 27.10.2026). Amendments to the Rules are listed above. | Not applicable |

## Disclaimer:

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