HSNS CESS: ACT – RULES – FORMS CONCORDANCE

Health Security se National Security Cess Act, 2025 • Rules, 2026

(Rules as amended up to Notification No. 03/2026-HSNS Cess dated 20.05.2026)

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About this Concordance and At a Glance

The Health Security se National Security Cess Act, 2025 (Act 35 of 2025) levies a cess on pan masala and other specified goods, payable by the person who owns, controls or operates the machine or process. It is administered through the Health Security se National Security Cess Rules, 2026 (Notification No. 01/2026-HSNS Cess, G.S.R. 2(E)), as amended by Notification No. 02/2026 (G.S.R. 78(E)) and No. 03/2026 (G.S.R. 381(E)). This concordance places every Section of the Act beside the Rule(s) that operate it and the Form(s) prescribed under those Rules, so that a reader can move from law to procedure to form in one look.

39	9	35	9	2	20
Sections in the Act	Chapters	Rules, 2026	Prescribed Forms	Schedules	Sections with no Rule / Form

(i) How to read the tables

- **Colour cue.** Green section number: the section has a Rule and/or Form. Grey section number: no procedural Rule or Form; the section operates on its own text.
- **Em dash.** An em dash (—) means "none prescribed". It is a finding, not an omission.
- **Links.** Rule numbers (Table 1) are links to Table 2; Form names are links to Table 3; Section numbers in Table 2 link back to Table 1. Use "▲ Back to Index" on any chapter band or page footer to return here.
- **Mapping.** Rules 33 (CCTV) and 34 (removal of machines) do not cite a section; they are mapped by subject and flagged in Remarks. Rules serving more than one section, such as rule 28 (additional evidence), are repeated against each section.
- **Amendments.** The Rules were amended on 30.01.2026 and 20.05.2026; the Rules as amended are used. Where the Act and a Rule differ (for example section 12(3) "fifteen working days" against rule 18(2) "fifteen days"), the Act prevails.

(ii) Legislative timeline

Date	Instrument	What it did
31.12.2025	S.O. 6153(E) (as reported)	Appoints 01.02.2026 as the date on which the HSNS Cess Act, 2025 comes into force.
01.01.2026	Notification No. 01/2026-HSNS Cess, G.S.R. 2(E)	HSNS Cess Rules, 2026 notified (Rules 1 to 34, Forms REG-01 to APL-02).
29.01.2026	Board Orders No. 01, 02 and 03/2026-HSNS Cess	Proper officers appointed.
30.01.2026	Notification No. 02/2026-HSNS Cess, G.S.R. 78(E)	First amendment: rule 12(2) Explanation, rule 16 Illustration 2, new rule 35, Forms DEC-01, CE-01, RET-01, APL-02.
20.05.2026	Notification No. 03/2026-HSNS Cess, G.S.R. 381(E)	Second amendment: rule 35 (sub-rules (3), (5) and (6)).
29.05.2026	CBIC Advisory No. 09/2026	Portal e-filing of sealing / de-sealing requests (INT-01 / INT-02) enabled.

Concordance Table 1: Section-wise Mapping of the HSNS Cess Act, 2025

Section-wise mapping of the Health Security se National Security Cess Act, 2025 with the corresponding HSNS Cess Rules, 2026 and the Forms prescribed thereunder.

A. CHAPTER I – PRELIMINARY *{Section 1 to 2}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
1	**Short title and commencement**	Rule 1 (Short title and commencement of the Rules)	—	Act in force from 01.02.2026 (S.O. 6153(E) dated 31.12.2025, as reported). Rules also effective from 01.02.2026.
2	**Definitions**	Rule 2 (Definitions: Act, Portal, registered person); Rule 3 (for clause (l), "proper officer")	—	Proper officers appointed by Board Orders No. 01, 02 and 03/2026-HSNS Cess (29.01.2026). Portal means cbic-gst.gov.in.

B. CHAPTER II – TAXABLE PERSON *{Section 3}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
3	**Taxable person**	—	—	Charging/definitional provision; liability attaches to the person who owns, controls or operates the machine or process. No Rule or form. Registration follows under section 8.

C. CHAPTER III – HEALTH SECURITY SE NATIONAL SECURITY CESS *{Section 4 to 7}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
4	**Levy and collection of cess**	Rule 12 (Cess payable to be calculated); Rule 13 (Manner of payment)	FORM HSNS PMT-01 (payment challan)	Amount fixed by Schedule II. Exemption under section 4(3) is by notification; none issued so far.

C. CHAPTER III – HEALTH SECURITY SE NATIONAL SECURITY CESS *{Section 4 to 7}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
5	**Manner of computation of cess**	Rule 12 (incl. Explanation to 12(2) on maximum rated speed); Rule 15 (Conditions for abatement); Rule 16 (Quantification of abatement); Rule 17 (Desealing and resumption of operation)	FORM HSNS DEC-01; FORM HSNS CE-01; FORM HSNS RET-01 (Tables 4A, 4B and Sl. 5)	Speed and weight as declared and verified. Abatement for 15 or more days of non-operation (section 5(7)) formula A = (C/N) x D. Sealing/de-sealing requests are filed on the Portal as INT-01/INT-02 (CBIC Advisory 09/2026); these are not prescribed in the Rules.
6	**Power of Central Government to increase amount of cess in special circumstances**	—	—	By notification, up to twice the Schedule II amount; none issued so far. No Rule or form.
7	**Purpose of levy of cess**	Rule 35 (Utilisation of cess)	—	Rule 35 inserted by Notification 02/2026 and amended by Notification 03/2026 (20.05.2026). Activities and schemes under section 7(3) are dealt with in rule 35(4)-(5).

D. CHAPTER IV – REGISTRATION AND RETURNS *{Section 8 to 10}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
8	**Registration, cancellation and revocation**	Rule 4 (Application for registration); Rule 5 (Approval and registration certificate); Rule 6 (Cancellation under 8(2)); Rule 7 (Cancellation under 8(3)); Rule 8 (Revocation of cancellation)	FORM HSNS REG-01 (application); FORM HSNS REG-02 (certificate)	Separate REG-01 for each factory. Temporary registration number on submission (rule 4(2)). Approval within 7 working days or deemed approval (rule 5(3)). No form is prescribed in the Rules for applications under rules 6 and 8.
9	**Declaration to be filed by taxable person**	Rule 9 (Declaration); Rule 10 (Verification); Rule 11 (Confirmation); Rule 33 (CCTV, for section 9(6)); Rule 34 (Removal of machines, mapped by subject)	FORM HSNS DEC-01; FORM HSNS CE-01 (Chartered Engineer certificate)	DEC-01 within 7 days of registration; fresh declaration within 15 days of any change. Verification within 90 days; confirmation order within 15/30 days. Rule 33 and Rule 34 do not cite a section; mapped by subject.

D. CHAPTER IV – REGISTRATION AND RETURNS *{Section 8 to 10}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
10	Payment of cess and returns	Rule 13 (Manner of payment); Rule 14 (Filing of return)	FORM HSNS PMT-01; FORM HSNS RET-01	Pay by the 7th of the month; return by the 20th of the next month; rectification before the end of the month in which the return was filed (rule 14(2)); notice for non-filing, 15 days (rule 14(3)). Board may extend return dates by notification (10(3)); none issued so far.

E. CHAPTER V – AUDIT AND ASSESSMENT *{Section 11 to 17}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
11	Scrutiny and assessments	—	—	Section 35(2)(n) empowers rules on the manner of informing discrepancies, but no Rule or form has been prescribed.
12	Audit	Rule 18 (Audit)	—	Rule 18(2) requires notice of "not less than fifteen days"; section 12(3) says "fifteen working days". The Act prevails.
13	Power to summon persons to give evidence and produce documents	—	—	No Rule or form; Civil Procedure Code procedure applies.
14	Access to business premises	Rule 19 (Maintenance of records); Rule 33 (CCTV footage on requisition)	—	Records retained for 24 months (rule 19(2)). CCTV footage to be furnished within 48 hours of requisition (rule 33(3)).
15	Officers to assist proper officers	—	—	Section 15(2) notification, if any, to add classes of officers; none issued so far.
16	Determination of cess not paid or short paid or erroneously refunded	—	—	Notice and order procedure is in the section itself. No form prescribed. See rule 32 for unregistered persons.
17	Interest payable on delay in payment of cess	Rule 13(2); Rule 14(2) proviso; Rule 11(4) (interest at the rate in section 17)	—	Interest at 15 per cent. per annum. Section 35(2)(q) allows a rule on the manner of calculation; none separately prescribed.

F. CHAPTER VI – OFFENCES AND PENALTIES *{Section 18 to 23}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
18	Penalty for certain contraventions	Rule 32 (Penalty for contravention: unregistered machines)	—	Cess for unregistered persons determined on machines found; deemed in operation from 01.02.2026 or the last two years, whichever is later.
19	Punishment for certain contraventions	—	—	Prosecution threshold and sanction in the section. No Rule or form.
20	Offences by companies	—	—	No Rule or form.
21	Cognizance of offences	—	—	Previous sanction of proper officer not below Commissioner. No Rule or form.
22	Presumption of culpable mental state	—	—	No Rule or form.
23	Compounding of offences	Rule 20 (Procedure for compounding of offences)	—	Application to proper officer; decision within 90 days; payment within 30 days; Tables A and B give the amounts. No form prescribed.

G. CHAPTER VII – INSPECTION, SEARCH AND SEIZURE *{Section 24 to 27}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
24	Power of inspection, search and seizure	Rule 21 (Bond and security for release of seized goods or machines); Rule 22 (Seized goods of perishable nature)	FORM HSNS BND-01 (bond)	Provisional release on bond plus bank guarantee equal to cess, interest and penalty. Manner of inventory (section 24(12)) is not separately prescribed.
25	Confiscation of specified goods or machines	—	—	No Rule or form.
26	Power to arrest	—	—	No Rule or form. High Courts have applied BNSS safeguards (see Case Law Compilation).
27	Recovery of amount due and assistance of officers	—	—	Recoverable as arrears of land revenue. No Rule or form.

H. CHAPTER VIII – REVISION AND APPEALS *{Section 28 to 33}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
28	Revision	Rule 25 (Notice and order of revisional authority)	—	Summary of order indicating demand confirmed (rule 25(2)).
29	Appeals to appellate authority	Rule 23 (Manner of filing appeals); Rule 24 (Appeal to appellate authority); Rule 26 (Withdrawal of appeal); Rule 28 (Additional evidence)	FORM HSNS APL-01	Appeal within 3 months (department: 6 months). Pre-deposit of 10 per cent. (maximum Rs 25 crore) under section 29(5); no separate form. Acknowledgement fixes the date of filing.
30	Appeals to Appellate Tribunal	Rule 27 (Appeal to Appellate Tribunal); Rule 28 (Additional evidence); Rule 29 (Withdrawal of appeal)	FORM HSNS APL-02	APL-02 heading corrected from "section 61" to "section 30" by Notification 02/2026. Appeal within 3 months.
31	Appearance by authorised representative	Rule 30 (Authorised representative); Rule 31 (Disqualification for misconduct)	—	Chartered Accountant, Company Secretary, Cost Accountant (valid certificate of practice) or specified retired officer.
32	Appeal to High Court	—	—	Section 35(2)(y) allows a form, but none is prescribed in the Rules.
33	Appeals to Supreme Court	—	—	No Rule or form.

I. CHAPTER IX – MISCELLANEOUS *{Section 34 to 39}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
34	Power of Central Government to amend Schedule I	—	—	By notification; none issued so far. To be laid before Parliament.
35	Power to make rules	The Rules themselves (Notification 01/2026, as amended by 02/2026 and 03/2026)	—	Rules made under section 35 are laid before Parliament under section 36.
36	Laying before Parliament	—	—	No Rule or form.
37	Effect of amendments, etc., of rules, notifications or orders	—	—	Saving provision. No Rule or form.

I. CHAPTER IX – MISCELLANEOUS *{Section 34 to 39}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
38	**Protection of action taken in good faith**	—	—	No Rule or form.
39	**Power to remove difficulties**	—	—	By order; none issued so far. Not permitted after five years from commencement. Not a Rule.

J. SCHEDULES *{Schedule I and Schedule II}*

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Section No.	Section Description	Corresponding HSNS Cess Rules, 2026	Corresponding HSNS Form(s)	Remarks
Sch. I	**Specified goods**	—	—	Pan masala (tariff item 2106 90 20); other goods as notified under section 34.
Sch. II	**Amount of cess (Table 1 machine-based; Table 2 manual)**	Rule 12 (computation by Schedule II); Rule 16 (abatement)	FORM HSNS DEC-01, CE-01, RET-01 (slab determination)	Table 1 by maximum rated speed and weight per pouch; Table 2: Rs 11 lakh per month per factory for wholly manual process. Above 1500 pouches per minute: amount x S/450.

Concordance Table 2: Rule-wise Index

Each Rule of the HSNS Cess Rules, 2026 with the Section(s) of the Act under which it is made and the Form(s) it prescribes. Section numbers are links to Table 1.

Rule	Heading of the Rule	Section(s) of the Act	Form(s)
1	Short title and commencement	1(2)	—
2	Definitions	2	—
3	Appointment and jurisdiction of officers	2(l)	—
4	Application for registration	8(1)	REG-01
5	Approval of application and registration certificate	8(1)	REG-02
6	Cancellation of registration under section 8(2)	8(2)	—
7	Cancellation of registration under section 8(3)	8(3)	—
8	Revocation of cancellation of registration	8(5)	—
9	Declaration to be filed by registered person	9(1)-(3)	DEC-01
10	Verification of declaration	9(4)	CE-01
11	Confirmation of declaration	9(4), 9(5), 5	—
12	Cess payable to be calculated	4, 5, Schedule II	DEC-01 (basis)
13	Manner of payment	10(1), 17	PMT-01
14	Filing of return	10(2), 10(4), 10(5), 17	RET-01
15	Conditions for abatement	5(6), 5(7)	RET-01 (4A/4B)
16	Quantification of abatement amount	5(6), 5(7)	—
17	Desealing and resumption of operation	5(7)	—
18	Audit	12	—
19	Maintenance of records	14(2)	—
20	Procedure for compounding of offences	23	—
21	Bond and security for release of seized goods or machines	24(8)	BND-01

Rule	Heading of the Rule	Section(s) of the Act	Form(s)
22	Procedure for seized goods of perishable nature	24(11)	—
23	Manner of filing appeals to appellate authority	29(1), 29(2), 29(4)	APL-01
24	Appeal to appellate authority	29(1), 29(2)	—
25	Notice and order of revisional authority	28	—
26	Withdrawal of appeal	29	—
27	Appeal to Appellate Tribunal	30(1)	APL-02
28	Production of additional evidence	29, 30	—
29	Withdrawal of appeal before Appellate Tribunal	30	—
30	Authorised representative	31(2)(c)	—
31	Disqualification for misconduct of authorised representative	31	—
32	Penalty for contravention (unregistered persons)	18(1)(a), 18(1)(f)	—
33	Installation of CCTV	9(6), 14	—
34	Removal of machines	5, 9 (mapped by subject)	—
35	Utilisation of cess (inserted 30.01.2026; amended 20.05.2026)	7	—

Concordance Table 3: Register of Forms

All Forms prescribed under the Rules, with the Rule and Section that call for each and the timeline for filing. Rule numbers link to Table 2.

Form	Title	Rule	Section	Filed by / timeline
FORM HSNS REG-01	**Application for registration**	Rule 4(1)	8(1)	Taxable person, on the Portal; one per factory; PAN verified online
FORM HSNS REG-02	**Registration certificate**	Rule 5(4)	8(1)	System generated on the Portal; effective from the date liability to register arose
FORM HSNS DEC-01	**Declaration of machines installed or processes undertaken**	Rule 9	9(1), 9(2), 9(3)	Within 7 days of registration; fresh declaration within 15 days of change/addition/commencement
FORM HSNS CE-01	**Certificate of Chartered Engineer (machine specifications)**	Rule 10	9(4)	Used in verification; records maximum rated speed (column 13) and weight
FORM HSNS PMT-01	**Payment challan (draft format)**	Rule 13(1)	10(1)	By the 7th of the month for which cess is payable; differential within 5 days of change
FORM HSNS RET-01	**Monthly return for payment of cess**	Rule 14(1)	10(2)	By the 20th of the following month; reports abatement orders (Tables 4A/4B)
FORM HSNS BND-01	**Bond for release of seized goods or packing machines**	Rule 21(1)	24(8)	With bank guarantee equal to cess, interest and penalty
FORM HSNS APL-01	**Appeal to the appellate authority**	Rule 23	29	Within 3 months of the order (rule 24)
FORM HSNS APL-02	**Appeal to the Appellate Tribunal**	Rule 27	30	Within 3 months; heading corrected by Notification 02/2026
Portal forms HSNS INT-01 / INT-02	**Sealing / de-sealing requests**	Rules 15, 17 (not prescribed in the Rules)	5(7)	E-filing enabled 29.05.2026; procedure in CBIC Advisory No. 09/2026

Caveat

This is a ready-reference concordance for departmental officers, industry and practitioners. It is not a substitute for the bare text of the Health Security se National Security Cess Act, 2025, the Rules and the relevant notifications, orders and advisories, which should always be verified for the current position.

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