

**F. No. DGGST/TECH/1/2026-Tech**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes & Customs,**  
**Directorate General of Goods and Services Tax**

\*\*\*\*\*

New Delhi, dated 10<sup>th</sup> February, 2026

To,

All the Principal Chief Commissioners / Chief Commissioners

Madam/Sir,

**Subject: Verification of the declarations filed by the registered person in FORM HSNS DEC-01 under HSNS Cess Rules, 2026 and FORM CE DEC-01 under the Chewing Tobacco, Jarda Scented Tobacco and Gutkha Packing Machines (Capacity Determination and Collection of Duty) Rules, 2026- regarding.**

With respect to the above subject, this is to state that the following Standard Operating Procedure (SOP) shall be followed for the verification of declaration filed in FORM HSNS DEC-01 under the Health Security se National Security Cess Rules, 2026 (hereinafter referred to as the 'HSNS Cess Rules') with respect to machines used for the production and manufacture of the specified goods (pan masala) and also the declaration filed in FORM CE DEC-01 under the Chewing Tobacco, Jarda Scented Tobacco and Gutkha Packing Machines (Capacity Determination and Collection of Duty) Rules, 2026 (hereinafter referred to as the 'Capacity Determination Rules') for the machines used for manufacturing pouches of chewing tobacco, jarda scented tobacco or gutkha.

## **2. Sharing of Registration and Declaration Data with QCI and Planning of Verification**

2.1 With effect from 01.02.2026, the above-mentioned rules have come into effect. The registered person shall file a declaration in FORM HSNS DEC-01 under rule 9 of the HSNS Cess Rules or FORM CE DEC-01 under rule 6 of the Capacity Determination Rules. The Board has engaged the Quality Council of India (QCI) to provide technical consultation to the proper officer, viz., the jurisdictional Deputy Commissioner/ Assistant Commissioner, for the verification of the said declarations. DG GST shall be the nodal Directorate for coordination and supervision of the entire process of verification of the said declarations and for coordination with QCI. The requisite payments to QCI shall be made by the Directorate of Logistics.

2.2 The details of registered persons under the HSNS Cess Rules shall be shared by DG Systems with DG GST daily, along with details of the declarations filed in FORM HSNS DEC-01 and FORM CE DEC-01. The same shall be shared by DG GST with the nodal officer of QCI daily for

the preparation of the verification schedule in the format as mentioned in Annexure I.

**2.3** The nodal officer of QCI shall communicate the proposed dates for visiting the factory for verification of the declarations to DGGST via email.

### **3. Coordination with Field Formations and QCI**

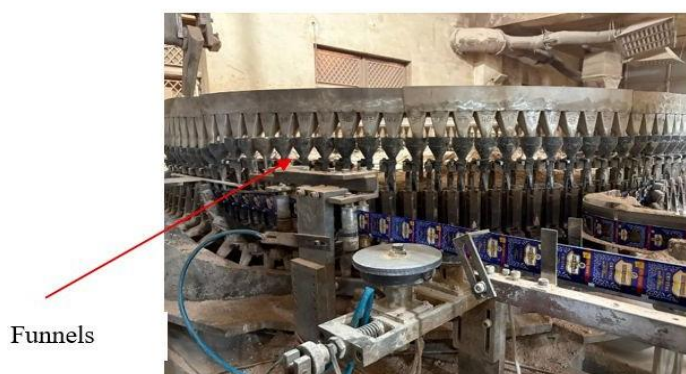
**3.1** Upon receipt of the planning sheet from QCI, DGGST shall share the details of the planned visit with the concerned nodal officer at the Commissionerate level via email, with a copy endorsed to the nodal officer at the zonal level.

**3.2** The nodal officer at the Commissionerate level shall forward the said details to the jurisdictional Deputy/Assistant Commissioner, who shall inform the registered person of the proposed date of visit and ensure the availability of technical specification brochures/literature, relevant records, technical personnel and access to the machines or equipment required for verification on the scheduled date.

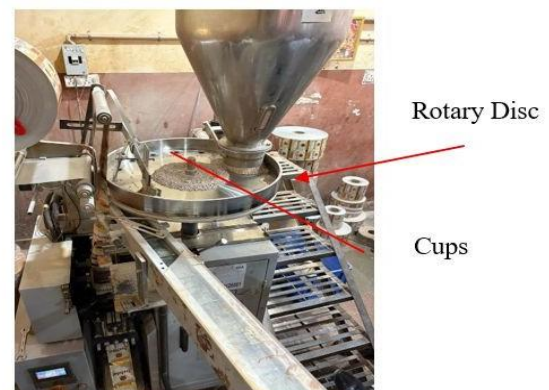
### **4. Verification of the declarations**

**4.1** During verification of the declaration, for accurate determination of the maximum rated speed/ maximum capacity of production of the pouch packaging machine, the following procedure shall be followed by QCI:

- (i) For each pouch packaging machine available in the factory premises, the following technical parameters shall be verified and duly recorded:
  - a) Revolutions per minute (RPM) rating of the main disc rotary motor of the machine that fills the pouches (or tins or containers);
  - b) Overall gear ratio of the gear assembly between the main disc rotary motor and the rotating drum of the machine;
  - c) Number of funnels in a horizontal machine or number of cups in a vertical machine;



Funnels in a Horizontal machine



Cups in a vertical machine

- (ii) The above parameters shall be verified based on the following sources:
  - a) Declaration filed by the registered person;
  - b) RPM measurement of the main motor using a calibrated tachometer in case

of operational machines (to be available with the QCI team);

- c) Main motor specification based on the machine/motor manufacturer's technical specifications/ data sheet and through the motor manufacturer's markings on dismantling the main motor from the machine;
- d) RPM measurement using a calibrated tachometer of the dismantled main motor;
- e) RPM measurement of the output RPM of the gearbox using a calibrated tachometer in case of operational machines;
- f) Gearbox specification based on the machine/gearbox manufacturer's technical specifications/ data sheet and through the gearbox manufacturer's markings on dismantling it from the machine;
- g) Gearbox output RPM measurement using a calibrated tachometer of the dismantled gearbox.

4.2 It is specified that dismantling of the main motor and/or gearbox shall be undertaken only in exceptional cases where technical specifications are unavailable and the markings are not visible or legible. Further, any dismantling or removal of the main motor or gearbox shall be carried out only with the approval of the jurisdictional Deputy/Assistant Commissioner and shall be undertaken exclusively by the technical personnel of the registered person.

4.3 The entire verification process, including inspection, measurement, and any dismantling activity, shall be videographed. The jurisdictional Deputy/Assistant Commissioner shall securely preserve the video recording as part of the official record.

4.4 The registered person shall file a declaration in respect of all machines installed at their premises, including machines that are sealed or non-operational. In the case of sealed or non-operational machines, the verification exercise shall be undertaken after de-sealing such machines in the presence of the jurisdictional Superintendent. The machines shall be resealed upon completion of the verification process.

4.5 Any difficulty encountered during the verification process with QCI officials shall be intimated to DGGST for necessary action. The report of physical inspection of machines in a factory shall be submitted by QCI to the jurisdictional Deputy/Assistant Commissioner within seven days of the visit, with a copy endorsed to DGGST for record purposes. If the report is not received within the stipulated period, DGGST shall be informed to take up the matter with the nodal officer of QCI.

4.6 The jurisdictional Principal Chief Commissioner/Chief Commissioner shall maintain close supervision over the inspection teams and monitor both the inspection plan and the inspection process.

## **5. Monitoring of the verification process by DGGST**

5.1 Once the verification is complete, the same shall be intimated by the nodal officer of the

Commissionerate level to the nodal officer of the zone and DGGST. The jurisdictional DC/AC shall then issue the order confirming the declaration and determining the computation of cess payable as per rule 11 of the HSNS Cess Rules, with the approval of the jurisdictional Additional Commissioner/Joint Commissioner as specified in section 9(4) of the HSNS Cess Act, or issue the order determining the annual production capacity of the machines as per rule 8 of the Capacity Determination Rules.

5.2 The nodal officer of the zone shall submit the details of the completion of the verification and issuance of the order in the Table in Annexure II to DGGST by Friday every week.

5.3 Any difficulties in the implementation of these instructions may be reported to the DGGST at the email ID [dggst-cbic@gov.in](mailto:dggst-cbic@gov.in) .

## **Annexure I**

### **Details to be shared by DGGST with QCI on receipt of registration applications**

| Zone | Jurisdiction<br>(Commissionerate/ Division/<br>Range) | Legal Name<br>of the<br>Business (as<br>per PAN) | HSNS<br>Registration<br>Number/Central<br>Excise<br>Registration | Address of the<br>premise | Pin<br>code | Wholly or Partially Machine-<br>based |
|------|-------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------|---------------------------|-------------|---------------------------------------|
|      |                                                       |                                                  |                                                                  |                           |             |                                       |

## **Annexure-II**

### **Monitoring of Verification Process**

| Zone | Commissionerate | Division | Range | Legal Name<br>of the<br>Registered<br>person | Address | HSNS<br>Cess<br>Registration<br>No. | C.Ex<br>Registration<br>No. | Date of<br>issuance<br>of<br>Registration<br>Certificate | Date<br>of<br>filing<br>Declaration | Type<br>of<br>Declaration<br>(HSN<br>S Cess<br>or CE<br>or<br>both) | Date(s)<br>) of<br>physical<br>verification<br>of<br>factory | Date of<br>receipt<br>of the<br>report<br>from<br>QCI | Date<br>of<br>issuance<br>of<br>Order<br>by<br>DC/<br>AC |
|------|-----------------|----------|-------|----------------------------------------------|---------|-------------------------------------|-----------------------------|----------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------|-------------------------------------------------------|----------------------------------------------------------|
|      |                 |          |       |                                              |         |                                     |                             |                                                          |                                     |                                                                     |                                                              |                                                       |                                                          |