

## FREQUENTLY ASKED QUESTION

### 1. What is ACES Project of CBEC?

CBEC has rolled-out a new centralized, web-based and workflow-based software application called Automation of Central Excise and Service Tax (ACES) for on-line filing/ uploading of documents such as Application for Registration, Returns, Claims, Permissions and Intimations etc under Central Excise and Service Tax.

### 2. What is Certified Facilitation Centre (CFC)?

A Certified Facilitation Centre (CFC) under ACES project is a facility, other than the physical front offices or Facilitation Centres of CBEC, which may be set-up and operated by a Company Secretary in practice to whom a certificate is issued under the ACES project, where the assesseees of Central Excise and Service Tax can avail the facility to file their returns and other documents electronically on payment of specified fees.

### 3. Is there any MOU signed between ICSI and CBEC?

Yes, ICSI has signed a MOU with CBEC dated 25<sup>th</sup> June 2010 amended by Supplementary MOU on 27<sup>th</sup> September 2010. The copy of MOU and Supplementary MOU are available at

[http://www.icsi.edu/webmodules/LinksOfWeeks/cfc\\_aces.htm](http://www.icsi.edu/webmodules/LinksOfWeeks/cfc_aces.htm).

### 4. What are the eligibilities and qualifications required for setting up of CFC?

A Certified Facilitation Centre (CFC) can be set-up and operated by a Company Secretary in practice fulfilling the following criteria:

- a. He/She should be a member of the ICSI and should have valid Certificate of Practice issued by the ICSI;
- b. He/She should possess experience of at least one year in practice;
- c. He/She should not have been held guilty of any professional misconduct under the Company Secretaries Act, 1980 during three years immediately preceding the date of application or violated any laws being enforced by the CBEC, as communicated by CBEC to ICSI;
- d. He/She should meet the technical eligibility criteria for operation of the CFC Scheme as indicated under Para 5 below;
- e. He/She should not be facing any investigation or enquiry by the CBEC for any violations as communicated by the CBEC to the ICSI including the Service Tax laws and Rules."

## 5. What are the Infrastructure Facilities required for setting up of a CFC?

Following infrastructure facilities are required for setting up of a CFC:

- i. Office Space measuring a minimum of 100 sq. ft. and equipped with at least two counter seats for service and 4-5 waiting seats;
- ii. Two Pentium Class – IV PCs with Colour Monitors and Min. 1 GB RAM, USB Ports, Floppy Disk Drive, and CD Writer.
- iii. A desk-jet or laser printer;
- iv. A flat bed scanner (above 600 DPI);
- v. Broadband Internet connectivity or higher;
- vi. Dependable Power Supply arrangements including UPS.
- vii. Fax and Phone facility;
- viii. At least one trained staff person who can operate the systems;
- ix. The Computer system should be equipped with the following software:
  - a. Windows 2000 / Windows XP
  - b. Web browser IE 6.0 or above, Netscape 6.2 & above
  - c. Adobe Reader V.7.0.5
  - d. Java Runtime Environment (JRE)
  - e. PDF Converter and Anti-virus Software
  - f. HDD 80 GB or more
  - g. MS Excel 2003 or above.

## 6. What are the technical and non-technical services can be provided by a CFC?

- a. Digitisation and/or E-filing of Central Excise and Service Tax Documents.

Currently, ACES has made available the following returns which can be filed by a CFC both online or by using offline downloadable utilities:

- i. Excel Utilities for Central Excise Returns - ER1, ER2, ER3, ER4, ER5, ER6 and Dealer's Return
- ii. XML Schema for Central Excise Returns - ER1, ER2 and Dealer's Return
- iii. Excel Utility for Service Tax Return (ST3)

Further, the assessee through a CFC can also carry out many on-line transactions such as online registration, amendment to the registration form, filing various claims, intimations, and permissions, refund claim, request for provisional assessment and export related documents. They can also file replies to show cause notices and appeals to Commissioners (Appeals).

## 7. How much service fees could be charged by a CFC from the clients?

The CFC shall provide the following technical and non-technical services with maximum permissible rates mentioned against each one of these services. *The*

*rates for services indicated herein are maximum indicative rates and these rates are exclusive of the statutory fees/ taxes payable to the Government in respect of all services:*

<b>Sr. No.</b>	<b>Service</b>	<b>Rates / Charges</b>
1.	Data Entry of Returns (Filling-up of e>Returns)	Rs. 50/- per page subject to a maximum rate of Rs. 600/- per Return
2.	Data Entry of Forms other than Returns	Rs. 100/- per page
3.	Scanning of Documents and conversion to PDF format	Rs. 5/- per page
4.	Laser Printing (B&W)	Rs. 5/- per page
5.	Uploading Returns with ACES	Rs. 200/-per return
6.	Attaching Documents with e-Form	Rs. 1/- per page
7.	Viewing Documents	Rs. 50/- per 30 minutes
8.	Apply for and procurement of DSC for users	Rs. 100/- per DSC
9.	Use of DSC by CFC operator to facilitate e-filing for the client along with Disclaimer	Rs. 20/- for each signature use.
10.	Services other than those listed above as may be offered by the CFC	At market-driven rates

**8. Can a CFC provide a service other than listed above?**

Yes, a CFC can provide a service other than listed above.

**9. How much fees can be charged for such service not listed in 7 above?**

For a service not listed in 7 above, a CFC shall charge fees which should be at market driven rate.

**10. How a Company Secretary in Practice can registered as CFC?**

A Company Secretary in Practice can registered as CFC in the following manner:

- a. A member qualified and eligible to set up and operate a CFC in accordance with the provisions contained in the MOU will have to make an online application to ICSI for registration as CFC. The application fees will be ₹1,000/-.

- b. The applicant will take a print out of the application wherein a temporary CFC number as issued by the Institute will be generated for control purposes.
- c. The applicant will paste a photograph in the appropriate column and attach one additional photograph with the application. The application should be duly signed by the applicant. Unsigned application will not be processed.
- d. A draft / local cheque of an amount of ₹1,000/- in the name of “The Institute of Company Secretaries of India” payable at New Delhi, shall be enclosed with the application.
- e. The draft/local cheque and other relevant documents shall be posted at the following address with the envelop super subscribing “Application for CFC under ACES Project of CBEC”.

**Senior Director (Information Technology)**  
**The Institute of Company Secretaries of India**  
**C-37, Sector – 62,**  
**Noida – 201 309 (U.P.)**

- f. The status of the application will be projected online to the user through a query and he / she may use the temporary CFC number as assigned by the Institute for the same.
- g. All the applications as received will be verified on fortnightly basis and the approved applications will be forwarded to the designated officer of Central Board of Excise and Customs.
- h. The CBEC will thereafter issue a *User ID and Password*, to the applicant which will be informed by email. The ICSI will then issue *CFC Certificate* to the applicant.
- i. The list of CFC's can be viewed by visiting ACES website (<http://www.aces.gov.in/>) under the CFC link of CBEC and ICSI website <http://www.icsi.edu>.

#### **11. What are the obligations of the CFC?**

- i) The CFC shall appropriately display the Certificate issued by ICSI;
- ii) It will provide services on payment basis and the service charges shall not exceed the amount indicated in the schedule of charges indicated in the scheme and it must prominently display the details of service charges chargeable by the CFC in respect of various services as mentioned in question no. 7 above ;
- iii) It will ensure that all the facilities are in good working condition at all times and reliable connectivity is maintained.
- iv) It will undertake work on behalf of its client, after obtaining legally valid authorization on behalf of the management of the client, the original copy of which should be kept by the CFC on records for at least a period of

five years, or such other period as may be prescribed by CBEC, from time to time, for verification by the authorized persons of CBEC/ICSI. It will be the responsibility of the CFC to take all due and reasonable care to ensure that the person on whose instructions, he/she carries out work in ACES, is duly authorized by the client to do so.

- v) Before uploading documents on behalf of its clients to the ACES website, the CFC will take signature of the authorized person on each page of the hard copies of the documents to be uploaded and keep copies on their records for at least a period of five years, or such other period as may be prescribed by CBEC, from time to time, for verification by the authorized persons of CBEC/ICSI.
- vi) It will not use the user ID and Password of its clients for transactions in ACES and shall always use its own user ID and Password or its own valid DSC, as and when permitted to be used by CBEC, for carrying out transactions on behalf of its clients in ACES. In case of any dispute, the decision of CBEC shall be final.
- vii) It will be responsible for proper and legally valid operation of the Digital Signature Certificate (DSC), during the validity period of the DSC, issued by a Certification Agency, if such service has been facilitated by the CFC to the end-user.
- viii) It will keep accounts of all statutory fees / payments in respect of the services provided by it.
- ix) It may be subject to inspection by persons authorized by CBEC or ICSI, as and when required, and during the inspection or enquiry, CFC shall provide full co-operation including providing statements, relevant records /documents for inspection and if required, allow them to take the original records/documents, against acknowledgement, after retaining attested copies for their own use. ICSI and CBEC can also take any other legal action, as it may deem fit and proper, against the CFC, under any other law, rule, regulation or scheme in force.
- x) In case the CFC chooses to close down the CFC, it will do so with one month's notice to CBEC and ICSI and;
  - i. shall surrender the Registration Certificate to ICSI;
  - ii. submit the documents collected from the clients to the concerned Range Officer of Central Excise/ Service Tax and obtain acknowledgement thereof and submit the copy of such acknowledgement to ICSI;
  - iii. ICSI will intimate CBEC for cancellation of user-id & password allotted by CBEC to the CFC.

xi) Whenever any communication is received by the CFC from CBEC through the ACES application or otherwise, it will be the responsibility of the CFC to take appropriate steps and keep the assessee properly informed for taking necessary action. Legal responsibility arising out of CFC's failure to comply with this provision, will lie with the CFC who will be liable for the consequences and it may lead to suspension, cancellation to function as CFC or lead to any other legal action against it, as deemed appropriate by CBEC.

**12. Can a Certificate once issued be suspended or cancelled? What shall be its consequences?**

Yes, a certificate issued by ICSI can be suspended/cancelled if a CFC found to be not complying with technical / professional criteria as specified, or found guilty of misconduct by the ICSI or by CBEC or found lacking in fulfilling the requisite obligations. Further, in case of any violations of the terms and conditions of this scheme, and of the certification, or any violation as communicated by CBEC or when a CFC Certificate-holder is declared as ineligible to practice by ICSI.

In case of suspension/cancellation, CFC will not be allowed to undertake any work in ACES, on behalf of any client. The decision of CBEC will be binding on all in all cases.

**13. What will be the duration of the Certificate?**

The Certificate of Registration for a CFC under the Scheme will be valid for a period of one year, unless the scheme is modified, withdrawn or the Certificate is suspended or cancelled before that as per the provisions of this scheme. The Certificate may be renewed, with the approval of the ICSI and CBEC, as per the terms and conditions of the scheme applicable at the time of renewal.

**14. What is the next step to be taken after receiving the user Id and password from CBEC?**

After receipt of User ID and Password from CBEC through e-mail, the Company Secretary acting as CFC may login on the ACES website with correct User ID and Password. After logging in he/she shall be able to access the ACES applications and will be able to file the documents etc on behalf of the clients. On receipt of information by ICSI from CBEC that User ID and Password has been sent to the eligible Company Secretary, then ICSI will issue a Certificate to the applicant to act as Certified Facilitation Centre.

### **15. Can I view the list of registered CFCs?**

Yes, the name and address of the approved CFC along with the contact particulars of the service provider can be viewed on the websites of ICSI and CBEC both.

### **16. Will CFC be liable for any inspection under this scheme?**

Yes, a CFC may be subject to inspection by persons authorized by CBEC or ICSI, as and when required, and during the inspection or enquiry, CFC shall provide full co-operation including providing statements, relevant records /documents for inspection and if required, allow them to take the original records/documents, against acknowledgement, after retaining attested copies for their own use. ICSI and CBEC can also take any other legal action, as it may deem fit and proper, against the CFC, under any other law, rule, regulation or scheme in force.