

# CERTIFIED FACILITATION CENTRES UNDER ACES PROJECT OF THE CBEC

## Frequently Asked Questions (FAQs)

### Q.1 What is CFC?

CFC stands for Certified Facilitation Centre under ACES project of CBEC and is an e-facility, which may be set-up and operated by a Cost Accountant in whole time practice to whom a certificate to act as CFC has been issued by ICWAI after approval by CBEC under the ACES project. Under this scheme the assessee of Central Excise and Service Tax can avail of this facility to file their returns and other documents electronically along with associated facilitation on payment of specified fees to Certified Facilitation Centre.

### Q.2 What type of work can be handled by CFC with regard to Central Excise & Service Tax under ACES Scheme?

In respect of Central Excise, the works which can be handled by CFC are – Registration, Returns, Refunds & Rebate, Claims & Intimations, Provisional Assessments, Exports, Dispute Resolution and Audit.

Similarly, in respect of Service Tax, the works which can be handled by CFC are – Registration, Returns, Refunds, ST3A, Dispute Resolution and Audit.

Currently, under the ACES Scheme the following Returns can be filed by Cost Accountants in practice:

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

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

### Q.3 What is the eligibility criteria to act as Certified Facilitation Centre (CFC) under ACES project?

A Cost Accountant in whole-time practice can act as Certified Facilitation Centre (CFC) only after issuance of a Certificate by ICWAI. This Certificate is issued by ICWAI after receipt of a written undertaking in the prescribed format duly signed by the Cost Accountant in whole-time practice on the printed copy of on-line form available at the Institute's website. The applicant has to submit this form on-line and a printed copy of the same is also required to be submitted to the Institute.

After receipt of copy of the print out of application (*each page is to be signed by the cost accountant*) as aforesaid at Delhi Office, the Institute shall process the application for checking eligibility in terms of number of years of whole time practice, disciplinary and misconduct cases pending against the concerned cost accountant, if any, and duly signed undertakings for compliance of terms and conditions. The Institute shall also check availability of necessary infrastructure as per specifications.

The eligibility and Qualifications Criteria are as follows:

“A Certified Facilitation Centre (CFC) can be set up and operated by a Cost Accountant in whole-time practice who fulfills the following criteria:

- a) He/She should be a member of the ICWAI and should have valid full time Certificate of Practice issued by the ICWAI;
- 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 Cost and Works Accountants Act, 1959 (as amended) during three years immediately preceding the date of application or violated any law being enforced by the CBEC, as communicated by CBEC to ICWAI;
- 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 ICWAI including the Service Tax Laws and Rules.”

#### **Q.4 What is specified technical eligibility criteria or infrastructure requirements to act as CFC?**

The applicant applying to act as CFC under ACES project must have the following minimum physical and technical infrastructure/facilities:

- (i) Office Space measuring a minimum of 100 sq. ft. and equipped with at least two computer 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

**Q.5 From where can I/We get the Certificate to act as CFC?**

A Cost Accountant in whole time practice may apply to ICWAI in prescribed on-line application form hosted at Institute's website: <http://www.icwai.org>. After filling up the on-line application, a computer generated acknowledgment number will be given to the applicant. The applicant is required to take the print out of this computer filled in on-line application form and sign it on each of the pages and send it through Registered post or Speed Post or Courier to ICWAI at New Delhi as per address given below along with requisite fee of Rs. 500/- in favour of "The Institute of Cost and Works Accountants of India" by Demand Draft payable at Delhi or by Delhi local clearing cheque and also with self certified copies of PAN Card and Certificate of Practice (CoP):

Director (Professional Development, Training & Placement),  
The Institute of Cost and Works Accountants of India,  
"ICWAI Bhawan", 3, Institutional Area, Lodhi Road  
New Delhi-110 003.

*Note: On line filing of application at Institute's website by a Cost Accountant does not confer any right to act as CFC under the ACES Scheme unless duly signed print out of the same is received by Delhi Office in accordance with the instructions, requisite fee and documents to prove eligibility in this regard. The Cost Accountants who file their applications on line may check the status of their application at the Institute's website.*

**Q6. When shall I get the Certificate to act as CFC under the ACES Scheme from ICWAI? How and when I shall get the User ID and Password under the Scheme?**

After receipt of application by Delhi office, it shall be processed and if it is found satisfying the eligibility and other criteria of the Scheme, then ICWAI would recommend to CBEC to issue the User ID and Password directly to the applicant Cost Accountant. On receipt of information by ICWAI from CBEC that User ID and Password has been sent to the eligible applicant Cost Accountant, the ICWAI would issue Certificate to act as Certified Facilitation Centre by e-mail.

**Q7. How shall I be able to operate the website of ACES under CBEC for filling up particulars on line for clients?**

After receipt of User ID and Password from CBEC by the Cost Accountant through e-mail, the Cost Accountant 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.

**Q.8 What types of services that a CFC is required to provide? How much service fee could be collected by CFC from the clients?**

The following Table indicates the types of services that a CFC is required to provide and maximum service that can be charged relating to e-filing of returns and other documents:

Sl. No.	Service	Rates / Charges
1.	Data Entry of Returns (Filling-up of e>Returns)	Rs. 50/- per page subject to a maximum 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 Digital Signature Certificate (DSC) for users	Rs. 100/- per DSC
9.	Use of DSC by CFC operator to facilitate e-filling 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

**Note: The rates for services indicated above are maximum rates that could be charged by CFC from the clients. However, these rates are exclusive of the statutory fees/taxes payable to the Government in respect of all services.**

**Q. 9 Can a CFC provide any other service than listed above? If yes, what will be the service fee for those activities?**

A CFC may provide any other service other than those listed above. However, service fees for such services will be market driven rates.

**Q.10 What are the obligations or duties of CFC?**

CFC shall:

- (i) appropriately display the Certificate issued by ICWAI at his/her place of work;
- (ii) provide services on payment basis and the service fees shall not exceed the maximum indicated in the schedule of service fees *ibid*;
- (iii) conspicuously display the schedule of service fees chargeable in respect of various listed services;
- (iv) ensure that all the facilities are in good working condition at all times and reliable connectivity is maintained;
- (v) undertake work on behalf of its client, after obtaining legally valid authorization on behalf of the management of the client;
- (vi) take signature of the authorized person on each page of the hard copies of the documents to be uploaded, on behalf of its clients, to the ACES website and shall keep copies on records for at

least for a period of five years, or more as may be prescribed by CBEC/ICWAI, from time to time and present them for verification by the authorized persons of CBEC/ICWAI.

- (vii) not use the user ID and Password of the clients for transactions in ACES and shall always use its own user ID and Password or with own valid DSC, as and when permitted to be used by CBEC, for carrying out transactions on behalf of its clients in ACES.
- (viii) abide by the decision of CBEC/ICWAI on any dispute; the decision of CBEC shall be final;
- (ix) be responsible for proper and legally valid operation of the Digital Signature Certificate (DSC);
- (x) keep accounts of all statutory fees / payments in respect of the services provided by it;
- (xi) provide full co-operation including providing statements, relevant records /documents for inspection and if required, allow the Inspection team to take the original records/documents, against acknowledgement, after retaining attested copies for the own use;
- (xii) on any change in constitution of partnership firm under the aegis of which it is working, intimate the ICWAI forthwith and in case of admission of a new partner, it shall submit a duly signed undertaking of the responsibilities and accountabilities by the new partners.
- (xiii) Further, if CFC chooses to close down its operation, it shall give one month's prior notice to CBEC and ICWAI before closing down the CFC and shall;
  - a) surrender the Registration Certificate to ICWAI;
  - b) 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 ICWAI;

#### **Q.11 Can a Certificate once issued be suspended or cancelled?**

Yes. A Certificate issued by the ICWAI can be suspended/cancelled if:

- (i) CFC is found to be not complying with prescribed technical/professional criteria; or
- (ii) Cost Accountant is found to be guilty of professional misconduct by the ICWAI or the CBEC; or
- (iii) CFC is found lacking in fulfilling the requisite obligations, either by ICWAI or the CBEC, and also it is not diligently discharging its functions.

Any action which leads to a CFC being held as ineligible to practice will also lead to suspension or even cancellation of the Certificate. Decision of CBEC shall be final and binding on all in this regard.

#### **Q.12 What shall be consequences if a Certificate is suspended or cancelled?**

The CFC will not be able to provide any service during the period the Certificate is suspended/cancelled. The CBEC will deactivate the user name and password granted to the CFC. The CFC whose Certificate has been suspended/cancelled is required to submit all the original documents collected by it to the concerned Range Officer of Central Excise / Service Tax, obtain acknowledgement for submission of documents from the concerned Range Officer and submit the same to the ICWAI. The ICWAI will intimate the same to the CBEC.

**Q.13 What is the procedure to be followed if the CFC chooses to close down the CFC?**

In case the CFC chooses to close down the CFC, it will do so with one month's prior notice to CBEC and ICWAI. The CFC will surrender the Certificate to the ICWAI and submit all the original documents collected from the clients to the concerned Range Officer of Central Excise / Service Tax. It will obtain an acknowledgement to this effect and submit the same to the ICWAI. The ICWAI will thereupon declare the closure of the CFC. User ID and password of the CFC would be blocked from the day specified by the CFC for closure.

**Q.14 What will be the duration of Certificate?**

The Certificate of Registration for a CFC under the Scheme will be valid till 12.4.2011, 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 ICWAI and CBEC, as per the terms and conditions of the scheme applicable at the time of renewal.

**Q. 5 Is there any inspection of CFC during the validity of Registration Certificate?**

Yes. It may be subject to inspection by persons authorized by CBEC or ICWAI, 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. ICWAI 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.

**Q.16 What will happen, if services of the CFC are not in compliance with the requirement of the Scheme?**

A CFC would render itself liable to disciplinary jurisdiction of the ICWAI and action as per the provisions of Cost and Works Accountants Act, 1959 and Regulations framed thereunder (as amended) will be taken.