

**ALL INDIA ASSOCIATION OF CENTRAL EXCISE
GAZETTED EXECUTIVE OFFICERS: CHENNAI UNIT**

Recognized by GOI, Ministry of Finance
(Vide F. No B. 12017/10/2006- Ad. IV A dated 21/01/08)
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O/o. The Commissioner of Central Excise,
121, Nungambakkam High Road, Chennai-34

Assn. Lr. 15 /13

Dated 27/8/13

To
The Chief Commissioner
Central Excise,
Chennai.

The Director General[Systems]/Director
Directorate of Data Management,
4th & 5th Floor, Samrat Hotel,
Chanakyapuri,
New Delhi-110021

Madam/Sirs,

Sub : ACES –Difficulties faced-Regarding

It has been brought to the notice of the Association that members of our association are being harassed no end on account of faulty implementation of ACES. That this is due to a deficient software is brought out by the Macro[presented in this letter] and Micro problems[Listed in the Annexure] and warranting immediate remedial action.

In the backdrop of such hazards encountered while operating ACES the Executive Committee of this Unit met on 22/8/13 to discuss the future course of action. The decisions taken are communicated here with. It is requested that action may please be initiated to fix the problems and ensure a trouble free work culture for those who operate ACES. As opposed to SERMON which posed fewer occupational hazards, ACES poses a serious hazard to the occupation itself. A few suggestions have also been fused into the contents which may be considered.

CONTD. ON P.2

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[i] Cases of scrutiny of ER.1 Returns of assessees paying 1 crore and 5 Crore get reflected in the dashboard of the Range Officer who has nothing to do with scrutiny of such returns and are to be handled by officers of the rank of DC/AC & ADC.

[ii] The daily Review & Correction [R & C in common parlance] report reflects the above cases and such pendencies should be deleted from the Range Officer's dash board forthwith.

[iii] The huge pendency is also probably due to inappropriate software as all returns are invariably marked for R & C.

[iv] Connectivity remains the single biggest threat in operating ACES. For the thin client user the access is less than 2 hours a day and such an access is through after a great deal of effort [either at 730AM or after 6PM].

[v] That the ACES software simply & liberally accepts faulty returns filed by any assessee defies logic and does not find a match else where in any of the software systems designed for statutory compliance any where in the world.

[vi] The larger purpose of ACES was to cut down on the multiple interfaces and to avoid duplication of work/replication in reporting. However the ACES has only added itself to a litany of reports that were being sought on a regular basis prior to its introduction. It would be advisable if reports based on returns filed under ACES are not insisted upon.

The Executive Committee also decided that in case the problems are not addressed immediately, the Association will be at liberty to contemplate appropriate forms of action required to resolve the issue.

Encl : A/a

Yours Faithfully,


[R.CHANDRAMOULI]
GENERAL SECRETARY

Copy to

1. The Chairman, CBEC, North Block, New Delhi.
2. The Member[P & V], CBEC, North Block, New Delhi.
3. All Commissioners in Chennai Zone
4. The Secretary General, AIACEGEO, New Delhi.
5. The President, AIACEGEO, Bhubaneswar.
6. The Website cengochennai.com
7. THE ADC (SYSTEMS) CHENNAI

ENCLOSURE TO ASSOCIATION LETTER 15/13 DATED 27/08/13

1. Reports are being prepared in EXCEL format based on hard copy of returns filed by the assessee. The absence of a symmetrical alignment of the report generation module with the requirement of tax administration has seriously impaired the functioning of ACES.
2. Serious mismatches in Opening Balance & Closing Balance in quantity of goods, closing balance of a month with the opening balance of the following month in PLA/CENVAT, reflection of payment in PLA when no payment has actually been made, reflecting payments in CENVAT without a corresponding debit in CENVAT A/c are ignored by the software when the same are fed into the ACES system as part of ER.1 returns filed by the Assesseees.
3. Returns are invariably marked for correction without considering the correct reportage. A few examples are furnished below.
 - [a] Notification not in correct format
 - [b] Assessable Value shown as zero when there is no clearance
 - [c] Lower/Higher rounding off of rupee [It is suggested that rounding off up to Rs.100/- should be ignored]
4. Returns cannot be processed by the Range Officers for R & C in cases where the earlier returns were reviewed and sent to DC/AC is kept pending with the Divisional Head. This peculiar work flow has created a backlog affecting the progress of work from the Range Officers' side.
5. Registration Certificates get generated from the applicant's side even if inappropriate/inaccurate incorrect details are entered. Such a database poses serious problems at the time of physical verification and the errors could only be corrected by way of sending back the application.
6. The data base "Know Your Location Code" which is a crucial determinant in deciding the jurisdiction is not up dated post 3 years of ACES' introduction.
7. Maintenance work & other operational dysfunctions are not being attended to promptly.
8. Print Outs based on e- Returns from printers installed and connected through thin client & servers is well nigh impossible as the connection to central server proves a deterrent in performing the commanded job. This is because there is a long queue of jobs commanded earlier from different places.
