

**RECORD NOTE OF DISCUSSIONS ON
THE AGENDA MEETING HELD ON 14.09.2010 AT 4.30 P.M. BY THE DEPUTY
COMPTROLLER AND AUDITOR GENERAL WITH THE OFFICE BEARERS OF THE
NATIONAL AUDIT FEDERATION**

1. An agenda meeting was held by the Deputy Comptroller and Auditor General with the office bearers of the National Audit Federation on 14.09.2010 at 4.30 P.M. in Room No. 510. List of the participants, who attended the meeting, is at Annexure A.
2. At the outset, the Deputy Comptroller and Auditor General welcomed the representatives of the National Audit Federation and hoped that the ensuing deliberations would be fruitful and constructive. He appreciated the Federation's stand to follow the government orders and taking the right course of action in not joining the agitation on 08.04.2010 instead preferring to have a dialogue with the senior management on important issues related to staff welfare.
3. Discussions commenced thereafter on the agenda items.

ANNEXURE A

**LIST OF THE PARTICIPANTS WHO ATTENDED THE AGENDA MEETING HELD BY THE DEPUTY
COMPTROLLER AND AUDITOR GENERAL WITH THE OFFICE BEARERS OF THE NATIONAL AUDIT
FEDERATION ON 14.09.2010 AT 4.30 P.M.**

Dr. A. K. Banerjee	Deputy Comptroller and Auditor General
Ms. Annie G Mathew	Principal Director (Staff)
Shri Saurabh Narain	Asstt. Comptroller & Auditor General (N)
Shri M. L. Tamrakar	Admn. Officer (JCM)
Shri Arun Vidwans	Secretary General (of the federation)
Shri K. Kuppu Rao	President (of the federation)
Shri Taizuddin Ahmed	Addl. Secretary General (of the federation)
Shri L. S. Sujith Kumar	Asstt. Secretary General (of the federation)

Demand No.: 1. Grant Entry Grade minimum pay to promotee Clerks, Auditors & AAOs.

Explanation:

1. The Govt. of India while notifying revised pay rules 2008, has formulated pay fixation vide rule 13 of R.P. Rules. Simultaneously the resolution has also been circulated wherein Entry Grade pay of employees appointed on or after 01-01-2006 has been fixed. Surprisingly the Senior promotee employees are getting less pay under rule 13 of revised pay rules and Junior directly appointed employees are getting more pay in the form of Entry Grade pay. Unfortunately the issue has not been resolved in the National Anomaly committee where the staff side is being represented by retired employees who take care of pensioners instead of serving staff. The promotee employees are entitled to draw the Entry Grade pay and denial thereof is unjustified and illegal. The principle of equal pay for equal work has been upheld by the Apex Court in many judgments. We, therefore, demand that the C & A. G. of India should strongly recommend our case in this regard.
2. As per recruitment rules of Section Officers, the departmental candidates are entitled for promotion after passing SOGE part-II, Similarly direct recruitment has also been made on probation basis without amending the statutory rules. To bring similarity all the SOGE Part-II passed persons may be treated as fresh appointees by fixing roster points for promotes and direct recruits. The reason behind this demand is that the senior promotee Section Officers are drawing less pay than those appointed directly on or after 01.01.2006. The Pay Commission while upgrading and merging the post of Section Officers and Asstt. Audit Officers has presumed as if the pre revised pay scale was `7500-12000. Now if the pre revised minimum pay has been taken as `7500/- then the minimum pay in revised pay structure should be `13950 (7500*1.86)+Grade pay `4800/- (40% of 12000/-) whereas the entry grade pay has been fixed at `13350 + 4800=18150/- which is at lower side even then the same is being denied to promotee senior Section Officers.

The response of the DAI to the demand:

DAI stated that the Department followed the pay structure as decided by the Government of India. As the Federation's demand had already been referred to the National Anomalies Committee, its outcome will have to be awaited. On the point of department's representation in the National Anomalies Committee, DAI explained that the National Anomalies Committee will decide the issues based on their merits and other factors likely to impact elsewhere in the Government. The process and the decisions would not, therefore, be subject to factors like IA&AD's representation in the Committee.

Demand No.: 2. Carry out cadre restructuring in IA & AD.

(i) Upgrade 20% posts of Auditors.

(ii) Grade pay of `4600/- to Sr. Auditors w.e.f. 1.1.2006.

(iii) Grant Grade pay of `5400/- to AAOs after 04 years service.

(iv) Grant of appropriate Grade pay to Stenographers (`4200, 4800 & 5400).

Explanation:

(i) Upgrade 20 % post of Auditors and grant Grade pay of `4200:

After restructuring of cadres in IA & AD w.e.f. 01.03.84 the combined cadre of Auditors, Section Officers and Audit Officers was bifurcated and 80 % posts were upgraded. The arrangement was upheld by 4th & 5th CPC, but the position has been changed while implementing recommendations of 6th CPC. The 20% segment of Section Officers and Audit Officers are getting equal Grade pay of `4800 and `5400 respectively allowed to 80% segment. If the decision taken by council of Ministers can be modified and 20 % segment of Section Officers and Audit Officers can be up gradated why the same decision may not be taken for 20 % segment of Auditors? We therefore demand that C.A.G. while carrying out cadre restructuring should upgrade the post of Auditors and pay band and Grade pay allowed to Senior Auditors should be granted to Auditors.

(ii) Grant Grade pay of `4600 to Senior Auditors:

The pay parity of Sr. Auditors with Assistants of C.S.S. was established from 01.03.84 which continued upto 31.09.1990. Again it was notionally restored with effect from 01.01.96 with actual payment from 19.02.2003. The parity was again disturbed from 15.09.2006. The 6th C.P.C. has examined this issue in para 7.56.8 of report. The pay commission observed "The commission does not consider it necessary to go in to the merit of the demand----- because it is recommending merger of pre-revised pay scale of `5500-9000 and `6500-10500 which will automatically place Assistants in C.S.S. and Sr. Auditors in an identical revised pay band and grade pay "Thus the Grade pay of `4200 P.M. was granted to Sr. Auditors and Assistants of C.C.S.

The parity which was automatically restored by 6th C.P.C. was tactically disturbed by the persons sitting at North and South Block of Power Centre and Assistants of C.S.S. were allowed Grade pay of `4600- w.e.f. 01.01.2006 though they were not granted pre-revised pay scale of `6500-10500 from 01.01.2006. But since the Sr. Auditors are sitting at 9 Deen Dayal Upadhyaya Marg, parity is being denied to them.

The issue which was settled by 6th C.P.C. has again been reopened by Finance Ministry. Secondly the Award of Central Board of Arbitration dated 24th August 2004 has also been thrown in waste paper Box. We have a very strong case for parity of pay scale and Grade pay of `4600/-- to Sr. Auditors w.e.f. 01.01.2006.

The N.A.F. has submitted a detail note on 1st January 2010 in this regard, which needs to be considered by the C & AG of India.

(iii) Grant of Grade pay of `5400 to AAOs after 4 years of service:

This arrangement was made in C.S.S. and Railway Board vide order dated 13.11.03 & 09.03.2005 respectively. After implementation of 6th C.P.C. this benefit has been extended in many ministries and departments similar treatment need to be given to AAOS in IA & AD.

A detailed note in this regard was submitted on **07.04.2006** by the Federation.

(iv) Grant of appropriate Grade pay to stenographers and cadre review:

N.A.F. has submitted a work paper vide letter No. 2009/11 dated 14th August 2009. The recommendation of 6th C.P.C. vide para 3.1.3 and 3.1.14 may also be kept in view. We demand that the cadre structure of stenos should be as under:-

<u>Sl. No.</u>	<u>Post</u>	<u>Grade Pay</u>	<u>% of total cadre strength</u>
i.	Steno Gr.III (PB-1)	`2800	30%
ii	Steno Gr.II (PB-2)	`4200	30%
iii	Steno Gr.I (PB-2)	`4600	20%
iv	P.S. to A/PD(PB-2)	`4800	20%

The Private Secretary should be allowed Grade pay of `5400 after putting 4 years of service in the Grade.

The response of the DAI to the demand:

DAI informed that the Ministry of Finance had not agreed to the demand at sub-para (i).

As regards the demands at sub-para (ii) to (iv), DAI advised the Federation to await the results of a work study, which had been commissioned to revise/define work norms, and which was underway. Thereafter, if some restructuring was deemed essential, it would be considered. DAI also advised the Federation to submit a work paper indicating the departments, which have implemented scales different from those recommended by the 6th CPC, for further examination.

The Federation could submit a fresh representation on the demands, which had not been agreed to by the Government of India. In the event of the Federation providing justification for reconsideration of the demands, these would be forwarded again to the Ministry of Finance.

DAI assured that the Department would do its best to safeguard the interests of the staff.

Demand No.: 3. Grant one increment after passing Departmental Examinations such as DCT, SOGE, and Revenue Audit Examination.

Explanation:

After passing Department Confirmatory Test, the Auditors were allowed 4 increments in the pre-revised pay scale of `130-330. The rate of increment being `5/-. The monetary value of 4 increments was `20/- excluding DA. After recommendation of 3rd Pay Commission, the advance increments were withdrawn and special qualifying allowance of `15/- was introduced from 01.01.73 vide order issued in June 1981. The issue of withdrawal of benefit with retrospective effect is pending before Hon'ble Supreme Court. (The period between 01.01.73 to 15.06.81 is disputed).

After 3rd Pay Commission, the amount of qualifying allowance has been doubled from 01.01.86, 01.01.96 and 01.01.2006 but the value of 4 increments has been reduced to 1/3 increment. The C & AG must have power to decide, the incentive benefit for imparting knowledge of departmental rules & regulations with a view to increase the potential, skill and efficiency of staff. We are allowing 1 advance increment after passing Revenue Audit examination for Sr. Auditors and Section Officers. Similar incentive for passing DCT by auditors and SOGE by Section Officers should be given.

The response of the DAI to the demand:

DAI stated that the copy of the order passed on 01.09.2010 by the Supreme Court in SLP (Civil) No. 21453/2008 as submitted by the Federation would be examined.

Demand No.: 4. Fix 45% passing marks in SAS and Revenue Audit Exams.

Explanation:

The Headquarters Office has issued circular No. 17 dated 07.06.2010 wherein the minimum marks for passing the examination have been fix at 50 % (Para 5).

For the last so many years the passing marks were 40 % in individual papers with 45 % marks in aggregate.

The system of SAS Examination has been drastically changed from the year 2010, and since the staff do not have exact idea about question papers, the passing marks for initial two years i.e. upto 2011 may therefore be fixed at 45 %.

The response of the DAI to the demand:

DAI stated that the Federation's request had been considered but not acceded to.

Demand No.: 5. Give protection to Audit parties against false complaints and newspaper cuttings and stop action without proper enquiry

Explanation:

Stop Black mailing of Audit staff by Audittee institution and media.

Nowadays a huge amount is released to NGOs under the public private partnership concept. The amount is being given in the form of Grant in aid.

The audit parties apart from scrutiny of utilization certificates alongwith annual accounts prepared by Chartered Accountant have to verify the basic records like ledger and paid vouchers for test check.

The NGOs (Normally have close contact with the political leaders and media), do not want to produce the records asked for by Audit team and make false complaints and manage planting news in print or Electronic media.

On the basis of such complaints or News paper cuttings the audit team has to face suspension, charge sheet and departmental enquiry.

The correspondents of Newspapers are nowadays contacting audit team and asking them to give some News and supply certain document so that they can make sensational News on hearsay basis. The audit team normally refuses to oblige them and invite trouble for them. The media persons thereafter search a person from department who can tell them that the audit team is adopting corrupt practices and demanding money etc. Such things have happened in few offices like A.G. Audit, Nagpur and A.G. Audit, Delhi. In Chennai office the authorities have issued a general circular blaming the entire staff in a very casual manner.

The NAF has, therefore, passed a resolution in it's conference held at Nagpur in September 2009 and also taken up the issue vide letter No. 2009-10/30 dated 18.03.2010. We demand that H. Qrs. Office should evolve some mechanism to safe guard the audit employees from blackmailing.

The response of the DAI to the demand:

DAI asked that the Federation to quote a specific case in which action had been taken on a false complaint. He also informed the Federation that though many complaints were received by this office and by field offices, only verifiable complaints were acted upon. Cognizance was not given to those complaints which were found unverifiable and vague.

Demand No.: 6. Entrust Local Body Audit to Audit Offices and abolish separate offices for LB & PRI Audit.

Explanation:

The H. Qrs. Office has established a separate office viz O/o The Sr. Dy. A. G. LB & PRI which is working as an Independent office in which cent per cent staff borrowed from A.G. (Audit) or A. G. (A&E) has been deployed on deputation basis. During last 3-4 years the sanctioned strength of Audit offices has been reduced in a phased manner and posts have been transferred to LB & PRI office.

It is not understood as to why an Independent Audit office is needed and extra expenditure on account of deputation allowance is being incurred.

We, therefore, demand that instead of forming a separate independent office it should be made a part of Audit office. Since it involves extra item of work additional staff may be sanctioned and to meet out the requirement, available staff from A & E Offices may be taken on deputation basis.

The response of the DAI to the demand:

DAI informed that the issue was being examined. He assured that interest of the staff would be kept in view while deciding upon such issues.

Demand No.: 7. Restore promotions to the post of Assistant Audit Officers between 01.01.2006 to 28.08.2008.

Explanation:

The notification regarding implementation of 6th C.P.C. report was issued on 28.08.2008. It was clarified by H. Qrs. office that promotion to the post of AAO should be treated as null and void, meaning that the promotional higher post of AAO was abolished. The employees, who were already granted promotion between 01.01.2006 to 28.08.08, have been denied the benefit of pay fixation.

Such an order should not have been given retrospection effect as the withdrawal of benefit already available from retrospection date is legally incorrect. If the Grade pay of Lower and higher post happens to be same the benefit of pay fixation i.e. 3 % of band pay plus Grade pay should be allowed.

The response of the DAI to the demand:

DAI stated that the recommendations of the 6th CPC were to be implemented *in toto*. Hence, the demand of the Federation was unacceptable. The Federation cited some court decisions in support of its demand. The DAI stated that copies of such judgments could be provided to this office for further examination.