No. 4-3/2025-PCC
भारत सरकार / Government of India
संचार मंत्रालय / Ministry of Communications
डाक विभाग / Department of Posts
Dak Bhawan, Sansad Marg,
New Delhi – 110001
Date: 28-10-2026

To,
All Heads of the Circles.

Sub: Clarification on pay fixation with one increment on grant of Non-Functional Scale to GP Rs.5400 (PB-2) / Level-9 in term of FR-22 (I)(a)(1) - reg.

Sir/Madam,

This refers to Para-4 of the MACP Scheme, read with DoP&T OM No. 35034/3/2008-Estt.(D) (Vol. II) dated 04.07.2017, prescribing the modalities for pay fixation on promotion/grant of non-functional scale consequent upon availing financial upgradation in lieu thereof.

2. References have been received seeking clarification in cases where a government servant, while holding a substantive post in GP ₹4600 (Level-7), was granted the non-functional scale of GP ₹5400 in PB-2 (Level-9) on completion of four years of continuous service in GP ₹4800 (Level-8), which had been granted under the MACP Scheme pursuant to the intervention of the Hon'ble CAT/Court. Subsequently, the Government servant was promoted to the next hierarchical post carrying GP ₹4800 (Level-8) or GP ₹5400 in PB-2 (Level-9), in lieu of that the financial upgradation to GP ₹4800 (Level-8) was granted under the MACP Scheme. In such cases, the benefit of pay fixation with an increment was neither allowed on grant of the non-functional scale of GP ₹5400 in PB-2 (Level-9) nor on the subsequent regular promotion to GP ₹4800 (Level-8) or GP ₹5400 in PB-2 (Level-9). Consequently, the Government servant is effectively deprived, on two occasions, of the benefit of pay fixation against the same financial upgradation under the MACP Scheme.

3. The matter was examined in consultation with the nodal Department with reference to two cases, as illustrated below, arising out of orders passed by the Hon'ble CAT/Court. The DoP&T, vide I.D. Note No. 35034/9/2026-PPD(MACP) dated 28.09.2026 (a copy attached herewith), has observed as under:

> "e) It may be noted that the normal sequence of promotion/ Non-Functional upgradation in hierarchy of instant case(s) is grant of Non-Functional Upgradation in Grade Pay of Rs.5400 after availing regular promotion in the Grade Pay of Rs.4800. This normal sequence has been disturbed due to grant of Non-Functional Upgradation in Grade Pay of Rs.5400 (PB-2) before availing promotion in Grade Pay of Rs.4800 in compliance of Court/ CAT Orders in both the cases referred above (Case-1st and Case-2nd). Despite getting this Non-Functional Upgradation in Grade Pay of Rs.5400 (PB-2) before regular promotion in Grade Pay of Rs.4800, the officer has to earn his regular promotion in the Grade Pay of Rs.4800 as per the Recruitment Rules of the post so that he can move higher in his hierarchy. Taking this position into account, offsetting the financial upgradation granted under MACPS has to be considered. It may be mentioned that the benefit of MACP Scheme granted in Grade Pay of Rs.4800 was in view of stagnation in the Grade Pay just below the Grade Pay of Rs.4800 and not getting the promotion in the Grade Pay of Rs.4800. Hence, the subsequent promotion granted in the Grade Pay of Rs. 4800 shall offset the MACP granted in the Grade of Pay of Rs.4800 and consequently, the pay fixation benefit shall not

accrue on promotion to the Grade Pay of Rs.4800;

f) As such, in Case-1st, NFSG is granted to the applicants after availing two promotions and grant of 3rd MACP in Grade Pay of Rs.4800. Here, the 3rd MACP was granted in view of the fact that officer had not got 3rd promotion in the Grade Pay of Rs.4800 on or before the date of grant of 3rd MACP. Hence, 3rd MACP granted will be offset against 3rd promotion, even if the sequence of grant of NFSG and 3rd promotion was disturbed due to Court orders. It is hence clear that NFSG granted after 3rd promotion (3rd MACP in this case) amounts to grant of 4th higher grade pay in his hierarchy of career advancement. In Case-2nd, NFSG is granted to the applicants after availing one promotion and grant of 2nd MACP. Here, the officer was granted 2nd MACP as he had not got 2nd promotion on or before the date of grant of 2nd MACP. Hence, this 2nd MACP will offset 2nd promotion and the officer will not get pay fixation benefits after getting 2nd promotion. The NFSG granted after 2nd promotion in normal course and in this case after 2nd MACP due to court order is therefore 3rd financial upgradation and the officer will get pay fixation benefits but he shall not be eligible for 3rd MACP."

4 . In view of the aforesaid advice and observations of DoP&T, the modalities for pay fixation, on grant of the non-functional scale in respect of the above referred two cases, are illustrated as follows:

i. Case-1st

SL	Even	Date	Pay Scale in GP	Remarks and pay fixation modalities
1	Postal Assistant	11.04.1975	Rs.2400	Direct entry grade
2	Inspector Posts	24.02.1992	Rs.4600	1st regular promotion with pay fixation benefits under FR-22(I)(a)(1). Offset against 1st MACP.
3	Assistant Superintendent of Posts (ASP)	29.07.2005	Rs.4600	2nd regular promotion with pay fixation benefits under FR-22(I)(a)(1). Offset against 2nd MACP.
4	3rd MACP	01.09.2008	Rs.4800	3rd financial upgradation under MACP with pay fixation benefits under FR-22(I)(a)(1) **in lieu of 3rd regular promotion as per the RRs.**
5	Non-Functional Scale	01.09.2012	Rs.5400 (PB-2)	Granted by disturbing the normal promotional hierarchy due to the Hon'ble Court orders, this shall be treated as the **4th upgradation**, **thereby attracting the benefit of pay fixation under FR 22(I)(a)(1). Thus, pay fixation benefit is admissible in such a case.**
6	PS Gr.-B	01.05.2015	Rs.4800 (substantive pay scale)	3rd regular promotion without pay fixation benefit, since the same had already been availed under 3rd MACP.

ii. Case-2nd

SL	Even	Date	Pay Scale in GP	Remarks and pay fixation modalities
1	Postal Assistant	11.07.1991	Rs.2400	Direct entry grade
2	Asst. Manager, MMS (now Inspector Posts following merger)	24.07.1999	Rs.4600	1st regular promotion with pay fixation benefits under FR-22(I)(a)(1). Offset against 1st MACP.
3	2nd MACP	26.07.2009	Rs.4800	2nd financial upgradation under MACP with pay fixation benefits under FR-22(I)(a)(1) **in lieu of 2nd regular promotion as per the RRs.**
4	Non-Functional Scale	26.07.2013	Rs.5400 (PB-2) / Level-9	Granted by disturbing the normal promotional hierarchy due to the Hon'ble Court orders, this shall be treated as the **3rd financial upgradation**, **thereby attracting the benefit of pay fixation under FR 22(I)(a)(1). Thus, this upgradation shall offset the benefit otherwise admissible under the 3rd MACP.**
5	Dy. Manager, MMS (now Asstt. Superintendent of Posts following the merger)	06.04.2023	Rs.4800/ L-8 (substantive pay)	2nd regular promotion without pay fixation benefit, since the same had already been availed under 2nd MACP.
6	Postal Service Gr.B	01.01.2024	Level-9	3rd regular promotion. **No pay fixation.#**

*The admissibility of pay fixation benefit under FR 22(I)(a)(1) on promotion to PS Gr. B in the same pay scale, involving higher duties and responsibilities, vis-à-vis entitlement to 3rd MACP in the next pay level, where grant of the Non-Functional Scale in Level-9 constitutes the 2nd financial upgradation and consequently offsets the 2nd MACP, is under examination. Therefore, no automatic benefit of pay fixation/next MACP may be allowed. An appropriate clarification will be issued in consultation with DoPT in due course.*

5. Therefore, in supersession of the instructions, issued vide this office letter No. 2-26/2021-PCC dated 30.11.2021, to the extent applicability of this clarification, all concerned units are requested to review all such cases **including pending CAT/Court cases on the issue** and ensure appropriate pay fixation of the concerned accordingly, in a time-bound manner. A compliance report in this regard may be furnished to this office.

Yours faithfully,

Encl : (As above)

Digitally signed by Gurvinder Singh
Date: 28-10-2026 10:51:49

(Gurvinder Singh)
Assistant Director General(GDS/PCC)

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