

**CENTRAL ADMINISTRATIVE TRIBUNAL
AHMEDABAD BENCH
Original Application No.511/2020
Dated this the 18th day of August, 2021**

CORAM:

Hon'ble Sh. Jayesh V. Bhairavia, Member (J)

Hon'ble Dr. A.K. Dubey, Member (A)

1. Kirankumar,
S/o. Jivabhai Chauhan,
Presently posted as Assistant Commissioner of CGST &
Cx. At office of the Additional Director General,
Directorate General of Vigilance, CBIC, Ahmedabad.
Male, Aged: 59 years,
Residing at: C/103, Horizon Life style,
Opp. Vishwas Platinum -1, Divine road, Sola,
Ahmedabad – 380 060.
2. Rameshkumar,
S/o. Avaddan Gadhvi,
Retired as Assistant Commissioner of CGST &
Cx. From CGST, commissionerate, Gandhinagar at Ahmedabad.
Male, Aged: 61 years,
Residing at: A/11, Arambh flats, T. B. Road,
Near Sarvodaya Bank, Mehsana – 384 002.
3. Gervais Plakkuzhiyil Thomas,
S/o Late Shri. P.T. Thomas,
Presently posted as Assistant Commissioner of CGST
& Cx. at office of the Additional Director General,
Directorate General of Vigilance, CBIC, Ahmedabad.
Male, Aged 59 years,
Residing at B-17, Vardhamankrupa Row House,
Near Sattadhar Soc. Ghatlodiya, Ahmedabad – 380 061.
4. Himanshu,
S/o Deviprashad Bhatt,
Retired as Assistant Commissioner, CGST & CX,
CGST Commissionerate, Gandhidham, Kachchh.
Male, Aged 61 year,
Residing at: 36, Ideal Colony, Opp. Uttam Nagar Garden,
Maninagar, Ahmedabad – 380 008.
5. Arvind Prasad,
S/o Vasudev Prasad, Presently posted as Assistant Commissioner,
CGST & CX, Vadodara –I.
Male, Aged 58 years,
Residing at: 3, Ayodha park, Behind Sejal Park, Opp. Lotus School,
Isanpur, Ahmedabad – 382 443.

6. Sudha Sekhar,
W/o Shri C. Chandrasekharan,
Presently posted as Assistant Commissioner,
CGST & CX, Vadodara –I.
Female, Aged: 59 years,
Residing at: E- 301 Devnandan Platina Opp. Life
Line Hospital, Vnademataram City Road Gota,
Ahmedabad – 382 481.
7. Nand Kishor Singh,
S/o Beni Sinh,
Presently posted as Assistant Commissioner,
CGST & Cx, Ahmedabad North Commissionerate.
Male, Aged: 59 years,
Residing at: 72, Kasturba Society, Palanpur Patia,
Rander Rd, Surat – 395 009.
8. Devkaran,
S/o. Premji Kanzaria,
Retired as Assistant Commissioner, CGST & CX,
CGST (AE), Commissionerate, Jodhpur, Rajasthan.
Male, Aged: 59 years,
Residing atL Sunil Sadan Prithviraj plot Behind
Bhaktinagar Street No. 3, Morbi- 363 641.
9. Arvidn Chavda,
S/o. Shri Raghavji Chavda,
Retired as Assistant Commissioner, CGST & Cx,
CGST Commissionerate, Gandhidham, Kachchh.
Male, Aged: 60 years,
Residing at: 55, ADITYA., Shreejinagar, Lilasha,
Kutiya Road, Adipur 370 205.
10. Yogesh Kishan,
S/o. Shri Shiv Kishan,
Retired as Assisatant Commissioner of CGST & Cx.
From CGST, Commissionerate, Thane, Maharashtra.
Male, Aged: 58 years,
Residing at: A-301, Navmangalam Complex, City
Light Main Road, Surat – 395 007.
11. Gulamrasul,
S/o of Ahmedji Khatri,
Retired as Assistant Commissioner of CGST & Cx.
From CGST, Commissionerate, Surat.
Male, Aged: 61 years,
Residing at: 14, Alvi Row House,
Near Ajmeri Flats,
Gorat Road, Surat – 395 009.

12. Kishanlal,
S/o. Nakhatmal Kela,
Retired as Assisatant Commissioner of CGST & Cx.
From DGGI, zonal Unit, Surat.
Male, Aged: 60 years,
Residing atL C/5, Tower – 4, Megh Sarman Apptt.,
Near Agra Sweets, City Light, Surat – 395 007.
13. Rahulkumar,
S/o. Mangalbhai Maru,
Retired as Assistant Commissioner, CGST and
C.Ex. Appeals Surat.
Male, Aged 60 years,
Residing at A-27, Sangitapark Society, causeway road,
Tadwadi, Surat – 395 009.
14. Rameshchandra Hazarilal Chauhan,
S/o. Hazarilal Chauhan,
Retired as Assistant Commissioner, CGST & C. Ex.
Audit Commissionerate Surat.
Male, Aged: 61 years,
Residing at: A/3 – 902 Swastik Milestone,
Near Dhiraj Sons, Vesu, Surat – 395 007.
15. Bhuromal,
S/o. Rupchand Jangid,
Retired as Assistant Commissioner of CGST & Cx.
From DGGI, Zonal Unit, Surat.
Male, Aged: 59 years,
Residing at: 7 A, Shri Swastik Homes,
Opp. Kapadia Health Club, Rupali Neher,
(BRTS Road), Surat – 395 003.
16. Hitendrakumar,
S/o. Maganlal Patel,
Retired as Assistant Commissioner of Customs
from Commissionerate (General), Customs Zone –I,
Mumbai, Male, Aged: 59 years,
Residing at: 101, Kautilya Apptt., Vajifdar Street,
Halar Road, Valsad – 396 001.
17. Kirit,
S/o. Rasiklal Gandhi,
Presently posted as Assistant Commissioner of Customs
at Custom Preventive Commissionerate, Mumbai,
Customs Zone III, New Customs House, Ballard Estate, Fort, Mumbai,
Male, Aged: 58 years,
Presently residing at: 502, Prince Tower,
Plot NO. 51, Sector 20, Khargar, Navi Mumbai,
Maharashtra – 410 210.

18. Virender Kumar,
S/o. Shri Lok Nath Mehta,
Presently posted as Assistant Commissioner of
Customs at Export Commissionerate, Mumbai
Customs Zone 1, New Customs House, Ballard Estate,
Fort, Mumbai Male, Aged: 59 years,
Presently residing at A – 1101, Navjivan CGS Kane
Nagar, Sector 5, Antop Hill, Wadala, Mumbai.
19. Milind,
S/o. Laxmikant Katdare,
Presently posted as Assistant Commissioner of
Customs at Office of the Principle Commissioner,
CSMIA, Mumbai Custom Zone II,
Male, Aged: 57 years,
Presently residing at: A 15, Hyderabad Estate,
Napean Sea Road, Malabar Hill, Mumbai – 400 006.
20. Ashvinkumar,
S/o. Bhanabhai Chauhan,
Presently posted as Assistant Commissioner of Customs,
Customs, Customs(II), (Airport Special Cargo) Commissionerate,
Customs Zone II, Mumbai.
Male, Aged: 57 years,
Presently residing at 104, Yogmilan CHS,
Dinanath Mangeshkar Marg, Forjett Hill,
August Kranti Marg, Mumbai – 400 036.
21. Bagtaram,
S/o. Ragaram Beniwal,
Presently posted as Assistant Commissioner of Customs,
O/o. the Chief Commissioner, Zone II, Mumbai,
Jawaharlal Nehru Custom House, Nhava Sheva,
Tal: Uran, Dist – Raigad, Maharashtra,
Male, Aged: 59 years,
Presently residing at D/6 Customs & Central Excise
Officer's colony, Katrak Road,
Wadala (west) Mumbai – 430 031.
22. Ummed Singh Chauhan,
S/o. Arjun Singhji Chauhan,
Presently posted as Assistant Commissioner (Appeals),
Jodhpur, Rajasthan,
Male, Aged: 59 years,
Presently residing at 11, Krishnanagar,
near 5 batti Choraha,
Ratanada, Jodhpur (Rajasthan).

...Applicants

(By Advocate Mr. Joy Mathew)

VS

1. The Union of India,
Notice to be served through The Secretary,
Ministry of Finance, Department of Expenditure,
North Block, New Delhi – 110 001.
2. Central Board of Excise and Customs,
Notice to be served through the Chairman, CBEC,
Ministry of Finance, Department of Revenue,
New Delhi – 110 001.
3. The Department of Personnel and Training,
Notice to be served through The Secretary,
Department of Personnel & Training,
North Block, New Delhi – 110 001.
4. The Pr. Chief Controller of Accounts,
Central Board of Excise & Customs,
Room No. 107, A. G. C. R. Building. I.P. Estate,
New Delhi – 110 002.
5. The Chief Commissioner,
Central Excise, Customs & Service Tax,
Vadodara Zone, Central Excise Building,
Race Course Circle, Vadodara – 390 007.
6. The Chief commissioner,
Central Excise, Customs & Service Tax,
Ahmedabad Zone, Central Excise Bhavan,
Opp. Polytechnic, Ambawadi, Ahmedabad – 380 006.
7. The Chief Commissioner, Customs,
Custom House, Nr. All India Radio,
Navrangapura, Ahmedabad – 380 009.
8. Director General of GST Intelligence
West Block 8, Wing No. 6, 2nd Floor,
R. K. Puram, New Delhi – 110 066.
9. Principle Chief Commissioner of Central Goods
And Service Tax, GST Bhavan, 115, Maharshi Karve Road,
Opp. Churchgate Station, Mumbai – 400 020.
10. Dte. General of Vigilance, Indirect Taxes & Customs,
2nd & 3rd Floor, Hotel Samrat, Kautilya Marg,
Chanakyapuri, New Delhi – 110 021.
11. Principal Chief Commissioner of Central Goods
And Service Tax,
New Central Revenue Building, Statue Circle,
C- Scheme, Jaipur, Rajasthan – 302 005.

12. Principal Chief Commissioner,
Mumbai Customs Zone I, Wilson Road, Ballard
Estate, Fort, Mumbai, Maharashtra – 400 001,
13. Chief Commissioner of Customs, Zone II,
Mumbai, Jawaharlal Nehru Customs House,
Nhava Sheva, Tal. Uran, Dist. Raigad, Maharashtra – 400 707.
14. The Principal Commissioner,
Central Excise-I, Central Excise Bhavan,
Opp. Polytechnic, Ambawadi, Ahmedabad – 380 006.
15. The Commissioner,
Central Excise-I, Vadodara, Central Excise Building,
Race Course Circle, Vadodar- 390 007, Gujarat.

...Respondents

(By Advocate Mr. H. D. Shukla R- 1 to 14)

ORDER(ORAL)

PER: Hon'ble Shri Jayesh V Bhairavia, Member (J)

1. In the instant OA, aggrieved by order/clarification dated 20.06.2016 (Annexure A/2) issued by Central Board of Excise and Customs, in which the Respondent No. 2 informed and directed the cadre controlling authority under CBEC that after consultation with department of expenditure the DoP&T had now advised that the grant of non functional Grade Pay of 5400 /- in PB-2 to the superintendents needs to be counted as one financial upgradation for the purpose of MACP scheme. The Board's Letter dated 26.05.2015 address to Chief Commissioner of Central Excise, Chennai Zone, in the case of Shri R. Chandrasekaran has been treated as withdrawn and the cadre controlling authority has been directed to take appropriate action to settle MACP cases accordingly (Annexure A/2). The applicants have filed present OA under section 19 of the Administrative Tribunal Act seeking following relief:-

“8(A) *Allowing this application.*

B. *Directing the respondents herein to grant the benefit of 2nd MACP of placing the present applicants in the Grade Pay of Rs. 5400 in PB-3 with effect from the date 01.09.2008 when the applicants have already completed 20 years of service and the MACP scheme was made effective.*

- C. *Quashing and setting aside instruction dated 22.06.2015 issued by the Pr. Chief Controller of Accounts, CBEC, New Delhi under F. NO. Coord/Expdt./ O.A. 675 of 2013/2015-16 at Annexure A/1.*
- D. *Quashing and setting aside clarification being F.No.23022/25/2015-Ad IIA dated 20.06.2016 at Annexure A/2.*
- E. *Declaring that the benefit of Non-Functional Grade Pay granted to Group-B officers cannot be set off against Financial Upgradation under the Modified Assured Career Progression Scheme.*
- F. *Declaring the present applicants are eligible to be granted the benefit of 3rd MACP by way of fixing the pay of the present applicants in PB-3 with pay of Rs. 15600-39100 with Grade Pay of Rs. 6600/-.*
- G. *Directing the respondents to grant the benefit of 3rd MACP to the present applicants by fixing their pay at Rs. 15600-39100 with Grade Pay of Rs. 6600/- in PB-3 with all consequential benefits including arrears of pay.”*

2. MA for Joint application filed by the applicants is allowed.
3. In the present OA, It is noticed that out of total 22 applicants 11 applicants are retired employees and the remaining 11 applicants are working as Assistant Commissioner with the Respondent Department. There common grievance in this OA is to the effect that on completion of 30 years of service, they are entitled for 3rd MACP by placing them in PB-3 with GP Rs. 6600/-, however, the respondent had granted only the grade pay of Rs. 5400/- in PB-3. The earlier upgradation to GP 5400/- was while in PB-2.
4. It is contended by the applicants that initially they joined service as Direct Recruit Inspector of Central Excise between 1985 & 1987. They had been granted first financial upgradation under the ACP Scheme in August 1999 and thereafter, the applicants were promoted to the post of Superintendent. as per the ACP scheme, an officer would be entitled for a financial upgradation upon completing 12/24 years of service and moreover, a maximum of 2 financial upgradation could be availed by an officer under this ACP scheme. It is stated that in the year 2008 the recommendation of 6th Pay Commission came to be accepted by the Union of India and thereafter, Non Functional Upgradation of Grade Pay Rs.5400/- in PB-2 Scale was granted during the period of 01.01.2006 to 31.07.2008. The said

NFGP was granted to the applicants in connection with recommendation of 6th CPC notified on 29.08.2009(Annexure A/3 referred).

4.1 It is contended that vide communication dated 16.09.2009 the respondent granted the benefit of NFGP to Group B officer of CBEC (Annexure A/4 refer). Thereafter, the applicants herein completed 30 years of service on various dates ranging from 01.01.2015 to till date.

Further, it is contended that in compliance to the directions issued by Hon'ble High Court of Madras in W.P. No. 19024/2014 dated 08.12.2014 (Annexure A/8) filed by similarly placed Officer Mr. R. Chandrasekaran, the Respondent vide its letter dated 26.05.2015 (Annexure A/9) fixed the pay of said Mr. R. Chandrasekaran with Grade Pay Rs. 6600/- w.e.f 04.06.2012 under the 3rd MACP on completion of 30 years of service and had been granted all consequential arrears. Therefore, the applicants herein, had also filed their representation before the competent authority for grant of 3rd MACP at Rs. 6600/- Grade Pay (Annexures A/10 & 11 refer). The said representation has remained unanswered. Now, the respondent department vide impugned letter dated 20.06.2016 (Annexure A/2) has decided that the grant of NFGP of Rs. 5400/- in PB-2 is to be counted as one financial upgradation for the purpose of MACP scheme and vide order dated 22.06.2016 (Annexure A/1) directed that the order passed in one Mr. R. Chandrasekaran case could not be applicable to all in general cases. Hence this OA.

5. Per Contra, on receipt of notice, the respondents have filed their reply and have denied the claim of applicants.
6. The applicants have submitted their rejoinder and reiterate the submission. Additionally, the applicants by relying various judgments and OMs/letters annexed to the OA as well as with their rejoinder submits that the respondents erroneously decided that the grant of NFGP of Rs. 5400/- in PB-2 is to be counted as one financial upgradation for the purpose of MSCP Scheme vide impugned orders.
7. In the backdrop of above facts and circumstances, learned counsel Shri Joy Mathew for the applicants mainly submitted as under:-

7.1 That similarly placed officers, Mr. S. Balakrishnan & Ors. had approached the Madras Bench of C.A.T by filing OA 280/2012 seeking fixation of their pay in MACP in GP Rs. 6600/- on completion of 30 years of their service, the said OA was allowed in favour of the applicant therein, by decision dated 22.07.2013. Against the said order the Writ Petition filed by the respondent was rejected by Madras High Court and subsequently the SLP thereon was also dismissed. The order passed in the case of S Balakrishnan attained finality and as such the respondents ought not to have issued the impugned orders dated 20.6.2016 (Annexure A/3) and the order dated 22.06.2015 (Annexure A/2) .

It is submitted that another similarly placed officer one Shri R Chandrasekaran had approached the C.A.T Madras Bench by filing OA 675/2013 seeking fixation of his pay under 3rd MACP in the GP of Rs.6600/- on completion of 30 years of service, however, the same was dismissed but the Writ.Petition filed against the said order before Hon'ble Madras High Court was allowed by judgment dated 8.12.2014 by observing that para 8 of the MACP scheme, stipulates that promotions earned in the post carrying same GP in the promotional hierarchy as per the recruitment rules shall only be counted for purpose of MACP. Further, Para no. 8.1 follows para no. 8 of the scheme and therefore it should be treated as a corollary to para no. 8. Accordingly, it was held in the case of S Balakrishnan that he is entitled for benefit of 3rd MACP in PB-3 with GP 6600/-. It is submitted that, para no. 8.1 of the MACP Scheme would be applicable only to those departments, which provide for promotion to the post carrying the same GP of Rs. 5400/- in band PB – 2. The Grade Pay of Rs. 5400/- in band PB – 2 is not the promotional hierarchy as per the recruitment rules of the applicants department and directions were issued to respondent to extend the benefit of 3rd MACP.

7.2 It is submitted that the respondents ought to have adhered to the principle of equality by following the order/judgment passed in the case of Shri S. Balakrishnan. It is submitted that the respondents

having taken a conscious decision to implement judgment of Honble High Court of Madras dated 08.12.2014 in Shri R. Chandrasekaran (supra) by issuing the letter dated 26.05.2015 vide (Annexure A/9), arbitrarily for no reason withdrew the same by the impugned order dated 20.06.2016 vide (Annexure A/3). The applicants are entitled to be treated equally and eligible for 3rd MACP.

- 7.3** It is contended that since the applicants were granted Non-Functional Grade (NFG) in the year 2006, the question of counting the same towards 2nd MACP does not arise because the MACP was introduced in the year w.e.f 01.09.2008. it is also the case of the applicants that vide letter No.F.No.A-23011/29/2010-Ad.IIA dated 20.05.2011 of the CBEC wherein it was contended in para 5 that there would be no effect on grant of NFG in PB-2 with Grade Pay Rs.5400/- during the period from 01.01.2006 to 31.08.2008 as the same is not counted under ACP Scheme and it would not be offset against financial upgradation under the scheme. However, in terms of para 8.1 of the Annexure of MACPS, financial up-gradation to Grade Pay 5400/- in PB-2 & PB-3 would be counted separate up-gradation and would be offset against financial up-gradation under the scheme. Therefore, it is submitted by the applicant that the officials, **who got 2nd ACP and not the 2nd MACP** are on different footing and same has been settled by the respondents in favour of the applicants, once the view is taken that NFG is not to be counted, there is no question that the 3rd MACP to be granted, then it can be reviewed differently. Therefore, respondents have erroneously counted the NFG in Pay Band-2 as separate up-gradation under MACPS and set it off against 2nd MACP.

In this regard, learned advocate for the applicants placed reliance on the order dated 26.02.2020 passed by CAT, Principal Bench in OA 2806/2016 in the case of All India Association of Central Excise Gazetted Executive Officer, Delhi & Ors v/s Union of India (Annexure RJ/16) more particularly in para 22 of said order it is observed that :-

“As per current instructions in force, the Superintendents with four years of regular service are to be granted NFU (Non-functional

upgradation), in GP Rs.5400/- PB-2., Since this is NFU and not a promotion, it shall not count towards ACP benefit scheme which was in force until 31.08.2008. Accordingly, all such Superintendents who are already granted this NFU to the pay scale of PB-2 + GP Rs.5400/- until 31.08.2008, shall continue to be due for 2nd ACP benefit. However, since the new MACP Scheme had come into effect from 01.09.2008, all those who still due for 2nd ACP as on 31.08.2008, shall now be taken to be due for 2nd MACP w.e.f. the date they complete 20 years of total service in case they are not promoted in the meanwhile. This 2nd MACP lies in the next higher pay scale of PB-3 + GP Rs.5400/- as per MACP policy dated 19.05.2009.”

Further in para 22.2 it has been observed that:-,

“once the 2nd MACP gets off set as explained in para 22, all the officials shall be taken to be due for 3rd MACP benefit as per policy to the next higher pay scale, as applicable, on completion of total 30 years of service.”

It is also submitted that the CAT PB Bench in the aforesaid OA, further held that:-

“The CBEC letter dated 20.06.2016 does not make a distinction with respect to the date of grant of NFU to the pay scale of PB-2 + GP Rs.5400/- as the relevant date of 01.09.2008 makes a difference due to the respective ACP and MACP Scheme and as brought out in para 21 to 22.2 above. Accordingly, the respondents shall review this circular dated 20.06.2016 as a separate exercise and re-issue after incorporating changes as are considered necessary.”

The said OA was disposed of by CAT PB with the direction to the respondents

“to review the case of all the applicants in terms of para 21 to 22.2 and grant them such consequential benefits due to them”.

Therefore, the learned counsel submits that applicant's case is required to be considered in terms of the above order of CAT, PB. `

- 7.4** Besides above, the learned counsel for the applicants also argued that the respondents ought not to have treated the Financial Upgradation under NFG granted to them as a set-off against either ACP or MACP. The said NFG cannot be treated as a promotion since, as per the Recruitment Rules, the Grade Pay of Rs.5400/- in PB-2 is not promotional scale. According to the applicants the NFG granted to them cannot be treated as up-gradation under MACP, as the MACPS came into existence at a later stage w.e.f. 01.09.2008 & the grade pay of Rs.5400/- in PB - 2 was granted to the applicants, prior to implementation of the MACP Scheme. It is further submitted that the NFG granted to the applicants also cannot be treated as Financial Up-

gradation under ACP Scheme, because as per the Board's clarification vide letter No. F.No.A-23011/29/2010-Ad.IIA dated 20.05.2011 (Annexure R/6) it was clarified that the benefits of ACPS of August 1999 had been allowed till 31.08.2008 and only functional promotions are to be counted for the purpose of the Scheme. It is also argued that there is no provision for counting "Nonfunctional scale" for the purpose of ACP Scheme. Therefore, the applicants were eligible for Grade Pay of Rs.5400/- in band PB-3. Further, it is stated that once the applicants were granted 2nd ACP or 2nd MACP, they are eligible for next higher Grade Pay of Rs.6600/- in Grade Pay hierarchy, as per Para No.2 to the Annexure-1 of the MACP Scheme. In support of these submissions the learned counsel submit relied upon the order passed by the CAT PB, New Delhi in OA No. 2860/2016 dated 26.02.2020. The learned counsel further submits that under the MACP Scheme three financial up-gradations are allowed on completion of 10, 20 and 30 years of regular service, counted from the direct entry grade. The MACPs envisages nearly placement in the immediate next higher Grade Pay as given in Section – I, Part – A of the First Schedule of the CCS (Revised Pay) Rules, 2008, in case no promotion has been earned by the employee during this period. Therefore, under the scheme of the MACP only the promotions granted are required to be counted and treated as set off against MACP benefits. He reiterates his submission that the NFG in GP Rs. 5400/- in PB-2 is not promotional scale therefore it cannot be treated for the purpose of MACP and as such the said benefit was granted before the MACP Scheme came into existence. Therefore, the para 8.1 of Annexure A/1 to MACP scheme is against the object and spirit of welfare of the officers and same is required to be quashed and set aside.

- 7.5** The learned counsel further submits that the case of Union of India v/s M. V. Mohanan Nair reported in (2020) 5 SCC 421 does not deal with NFG and same is only deal with grant of parity in GP. Therefore, the said judgment has no applicability to the present OA. Further, it is contended that for the grant of NFG there is no element of selection

except process of elimination i.e., completion of 4 years of service whereas the MACP involves the element of selection. In this regard, he place reliance on the judgment passed by Bombay High Court in the case of The Association of the Sub-Ordinate Service of Engineers Maharashtra State VS State of Maharashtra & Ors. (Annexure – RJ/9). By relying upon CBIC letter dated 09.04.2021 (Annexure RJ/10) it is contended that NFG cannot be replaced as MACP.

- 7.6** Learned counsel Shri Joy Mathew submitted that in his written submission he has reiterated the aforesaid contentions. Further, he has placed reliance on various judgments such as (i) UOI VS R. K. Sharma & Ors. (ii) UOI & Ors. VS Sri S. Balakrishnan & Ors. Review Petition No. 802/2017 in SLP (C) No.25572/2015 decided on 19.09.2017 (iii) Hariram & Ors. Vs Register General decided on 20.12.2017 by Delhi High Court in W.P. (C) No. 9357/2016. (iv) Judgment passed by Hon'ble High Court of MP, Jabalpur in the case of UOI Vs B.R.K Iyer, (v) Order passed by Principal Bench C.A.T dated 20.06.2020 in OA No. 2806/2016 (vi) Judgment dated 13.08.2013 passed by Hon'ble Supreme Court in Civil Appeal No. 6726-6727/2013 Prabhu Das Damodar Kotecha Vs Manhabala Jeram Damodar (vii) Judgment passed by Supreme Court in Civil Appeal No. 3439/2007 in Bhakra Beas Management Board Vs Krishna Kumar Veach & Ors (viii) Judgment passed by Hon'ble Gujarat High Court in BSNL Vs M. C. Verma reported in (2006) 2 GLR 1379 (ix) judgment passed by High Court of Delhi in W.P. (C) No. 5146/2012 (x) Order passed by PB C.A.T in OA No. 1095/2014 decided on 01.06.2016 (xi) order passed by C.A.T Ernakulam Bench in OA No. 107/2011 dated 27.09.2011 (xii) Order passed by High Court of Kerala in OP (CAT) No. 467/2012 dated 21.06.2012 (xiii) Order passed by Hon'ble Supreme Court in SLP No. 28536/2012 dated 15.10.2012 and also placed reliance on various OMs as referred in rejoinder and submitted that similarly situated persons such as S. Balakrishnan were granted the benefit of MACP. Therefore, the applicants are also required to be treated equally.

7.7 It is submitted that the upward revision of Pay Scale prescribed in Vth CPC (After 4 years) is nothing but the upgradation of post and whatever the promotion earned/upgradation granted, in the past to those grades now carry the same grade pay due to merger of pay scale/upgradation of posts recommended by the VI the pay commission, the same is required to be ignored for the purpose of granting upgradation under MACPs in terms of OM dated 19.05.2005 (Annexure A/1). Therefore, the respondent erroneously deprived the applicants grant of benefit of 2nd and 3rd MACP in PB-3 on completion of 20 – 30 years of their service. It is urged that the impugned decision is arbitrary, illegal and same has caused great hardship to the applicants who are already retired from service. Further, it is submitted that from the salary of applicant no. 2 & 5, the respondent has recovered the amount paid towards 3rd MACP. However, the applicant no. 1, i.e. Mr. Mansukhbhai Patel, applicant no. 3, i.e., Mr. Dhandharam Meena, applicant no. 4, i.e., Mr. Niranjana Bhatt has jointly filed separate OA No. 219/2019 for waiver of recovery as also the applicant no. 6, i.e., Mr. K. Valson Chandrashekar has filed separate OA No. 230/2020 and the said OAs are pending before this Tribunal therefore till date respondents have not initiated recovery against these applicants. The learned counsel for the applicants submits that the decision for recovery made by the respondent is also arbitrary and the said recovered amount needs to be refunded to the applicants. It is submitted that any recovery at this stage based on revised PPO will also cause serious financial crunch and hardship to the applicants. Therefore the impugned decision requires be quashed and set aside.

8. On behalf of respondents learned counsel Mr. Shukla, submitted as under:-

8.1 It has been contended that under the provisions of the erstwhile ACP scheme of 1999, Financial Upgradations were granted in the then existing promotional hierarchy, which gave rise to uneven benefit to employees falling in the same pay scale as various organizations adopted different hierarchal pattern. Consequently, employees

working in organization having greater number of intermediate grades suffered because Financial Up-gradation under ACPS placed them in lower pay scale vis-à-vis similarly placed employee in other organizations that had lesser intermediary grades. Subsequently, the ACP Scheme was replaced by Modified ACP (MACP) scheme by the DoP&T vide OM dated 19.05.2009 which provided for three up-gradations after 10, 20 & 30 years respectively in the successive grade pay scale in the hierarchy of recommended revised pay band and grade pay as prescribed in the CCS (RP) Rules and not in the promotional hierarchy as was available in the ACP scheme.

- 8.2** It is submitted that the applicants who are/were working as Superintendents in the grade pay of Rs.4800, were granted Non Functional Grade (NFG) Pay in GP of Rs.5400 in PB-2 after 4 years of their regular service. Thereafter, on their promotion to the grade of Assistant Commissioners, they have been placed in GP of Rs.5400 in PB-3. It is submitted that the applicants herein are now claiming MACP benefits by ignoring Non-Functional Grade granted to them in fact they are basically claiming Financial Up-gradation under MACP in the promotional hierarchy which is against the MACP Scheme.
- 8.3** Denying the claim of the applicants, the respondents have relied on Para 8.1 of Annexure-I of the MACP scheme, which provides that the grade pay of Rs. 5400/- in PB-2 and Grade Pay of Rs.5400/- in PB-3 shall be treated as separate grade pays for the purpose of grant of up-gradations under MACP schemes.
- 8.4** It has been further submitted that after acceptance of the recommendation of 7th Central Pay Commission, the Central Civil Service (Revised Pay) Rules, 2016 was issued. As per the said recommendation, both the grades have been placed in different pay levels. GP of Rs.5400 PB-2 has been placed in Pay Level-9 with initial pay of Rs.53,100/- and GP of Rs.5400/- in PB-3 has been placed in Pay Level-10 with initial pay of Rs.56,100/-. Therefore, in terms of scheme of MACP, the applicants have already received

benefit of two separate grade pays during their service. Hence, the applicants are not entitled or eligible to claim 3rd MACP.

- 8.5** It is submitted on behalf of the respondent CBEC that due to administrative error by field offices, the benefit of 3rd MACP wrongly granted to the applicants needs to be withdrawn as the same is not in accordance with the MACP Scheme. Accordingly, vide CBEC's clarification dated 20.06.2016 Commissionerates have withdrawn the GP of Rs.6600/- (i.e. 3rd MACP) which was erroneously granted to Superintendents including the applicants.
- 8.6** It is contended by the respondents that on a reference from the office of Chief Controller of Accounts, CBEC, the DoP&T vide their clarification dated 26.07.2010 (Annexure R/4), had clarified that the benefit of Non-Functional Up-gradation granted to the Superintendents (Group B) officers on completion of 4 years of service would be treated/viewed as up-gradation in terms of para 8.1 of the Annexure to OM dated 19.05.2009 and the same would be offset against one Financial Up-gradation under MACP Scheme. The learned counsel further submits that to make the issue more clear and uniform, the DoP&T published a comprehensive FAQ on MACP Scheme on its website on 1.4.2011 Annexure R/5 where in at FAQ no. 16 it was clarified that Non-functional up-gradation would be viewed as one financial up-gradation for the purpose of MACPS in terms of para 8.1 of MACP dated 19.5.2009.
- 8.7** It is further submitted that when it was observed that in some of the Commissionerates, grade of Rs.6600/- was being allowed under MACPS to the Superintendents without taking into account the Non-Functional Up-gradation granted after 4 years of service, therefore it was again clarified vide Board's letter dated 04.06.2014 (Annexure R/7) that Non Functional Up-gradation granted to Superintendents would be counted/offset against the financial up-gradation MACP scheme. On the basis of this clarification dated 04.06.2014, many Commissionerates took appropriate corrective action. 9.8 It is further

submitted, pursuant to the directions issued by the Hon'ble High Court of Madras, the case of Shri R Chandrasekaran was referred to DoPT for taking appropriate action. Initially, DoP&T vide letter dated 06.05.2015, (Annexure R/9) opined that since Shri R Chandrasekaran got only one promotion and 2nd ACP in grade pay of Rs.5400/- in his service career prior to implementation of MACP schemes w.e.f. 01.09.2008, he is entitled to the grant of 3rd MACP in the grade pay of Rs.6600/- under MACP with effect from 04.06.2012 on completion of 30 years of services. Subsequently, the DoP&T, re-examined the issue and clarified that the grant of NonFunctional Grade Pay of Rs.5400/- in PB-2 to the Superintendents need to be counted as one financial up-gradation for the purpose of MACP scheme.

- 8.8** The learned counsel further submits that the Hon'ble Supreme Court in case of Union of India & Others Vs. M.V.Mohanan Nair vide judgment dated 05.03.2020 in Civil Appeal No.2016 of 2020 (Annexure R-16), has set aside all the impugned orders of the High Courts and allowed the appeals preferred by the Union of India and upheld the government policy that benefit under MACP Scheme ought to be granted in the standard hierarchy of grade pays/pay levels and not in the promotion hierarchy. The Apex Court has also held that the ACP scheme which is now superseded by the MACP Scheme is a matter of government policy. Interference with the recommendation of an expert body like the pay commission and its recommendation for the MACP would have serious impact on the public exchequer. It is further held in the said judgment that the recommendations of the pay commission of the MACP Scheme have been accepted by the government and implemented, and there is nothing to show that the scheme is arbitrary, or unjust warranting interference. In the judgment it has also been stated that without considering the advantages in the MACP scheme, the High Court erred in interfering with the government policy by simply placing reliance upon the Rajpal case. The Hon'ble Apex Court held that Rajpal case cannot be treated as precedent. Therefore, the learned standing counsel submitted that the orders/judgment based on Rajpal's case, i.e., S. Balakrishnan case is

not applicable to the present case. Further it is submitted that the order passed in case of R. Chandrasekaran cannot be termed as order in rem. As such the respondents have withdrawn the grant of benefit of 3rd MACP in the case of said R Chandrasekaran and aggrieved by it, he has filed another OA before CAT, Chennai Bench wherein no relief has been granted till date.

- 8.9** The respondents have filed their written submissions highlighting therein the clarifications issued by the DoP&T from time to time on the subject and discussing the authorities relied upon by them and distinguishing the authorities relied on by the applicants. In this regard the learned standing counsel relied upon the contention stated in para-19 of the said written submission mainly stating that as per various clarification issued by the competent authority i.e. DoP&T and the provision of para 8.1 of Annexure A/1 to MACP Scheme, the Non-functional financial up-gradation in PB-2 GP Rs.5400/- granted to the Superintendents, Group B (applicants herein), on completion of four years of regular service shall be treated as separate grade pay and same is required to be set off against one financial up-gradation under MACP.
- 8.10** It is also stated that after considering various directions issued by different Bench of this Tribunal as also Hon'ble High Courts, including the order passed by CAT Principal Bench in OA 2806/2016 dated 26.02.2020 in the case of All India Association of Central Excise Gazetted Executive Officer, Delhi & Ors v/s Union of India & Ors, as also the order passed in the case of Hari Ram & Anr v/s Registrar General, Delhi High Court etc, the CBEC sought further clarifications/opinions from the competent authority i.e. DoP&T. In response to it, DoP&T vide its instructions/clarification dated 12.01.2021 reiterated earlier position that NFU granted in GP 5400/- in PB-2 needs to be offset against one Financial Upgradation as per MACP policy. Further, the DoP&T clarified that the judgment/orders are not in consistent with the MACP Scheme, requires to be challenged in higher court. It is further contended that on receipt of DoP&Ts clarification dated 12.01.2021, the respondents have filed

necessary review applications and writ petition in respective OAs/Writ Petitions before the appropriate Tribunal and High Court. Therefore, learned counsel for the respondents submitted that the orders and judgments relied upon by the applicant are not helpful to them since same are in consistent with the MACP policy and on filing of review and writ petition thereto, same are now sub judice before the various courts. The impugned decision dated 20.06.2016 is in consonance with the mandate of MACP policy. The applicant is not entitled for any reliefs as sought in this OA.

8.11 The learned standing counsel Shri H D Shukla placed reliance on the following orders passed by various Benches of the Tribunal where in the claim of similarly placed officers for grant of 3rd MACP in the GP of Rs.6600/- has been dismissed and the clarification issued by the respondents dated 20.06.2016 upheld. (i) Dileep Kumar v/s Union of India decided by CAT, Ernakulam Bench dated 12.04.2019 in OA No.916 of 2016 circulated vide letter dated 09.10.2019 (Ann. R/14 of written submission), (ii) Order passed by CAT, Mumbai Bench in case of V. Paranesh, Asst. Director (retd), National Academy of Customs, Excise & Narcotics (NACEN), Mumbai v/s Union of India decided on 21.11.2019 in OA No.186/2017, circulated by the Board vide letter dated 19.02.2020, (Ann. R/15 of written submission). (iii) Common order dated 21.11.2019 passed by the CAT, Mumbai Bench in OA 44/2017 in the case of V U Shah v/s Union of India alongwith other cognate OAs.

8.12 In sum, the standing counsel for the respondents submits that the judgment passed by Hon'ble Apex Court in the case of M V Mohanan Nair has answered all the questions raised in this OA and said judgment squarely applies to the facts of the present case. The Applicants are not entitled for grant of MACP with Grade Pay of Rs.6600/- in view of the instructions/judgments cited above. It is prayed that the OA be dismissed.

9. Heard the learned counsel for the parties and perused the material on record.

10. On going through the prayer sought in this OA, submission of learned counsel for parties, the moot question that arises for consideration before us is:
- (i) Whether the respondents have rightly followed the provision of para 8.1 of **Modified Assured Career Progression (MACP)** Scheme in treating the Non Functional Grade Pay of Rs. 5400/- in PB-2 granted to the applicants as a separate Grade Pay and set off against MACP benefit;
 - (ii) Whether the withdrawal of the benefit of 3rd MACP in PB – 3 GP Rs.6600/- vide impugned order dated 20.06.2016 by the respondents is in accordance with the terms and conditions of MACP Scheme?
11. At this stage, it is required to be mentioned that identical questions were also decided and answered by this Tribunal vide separate order dated 25.01.2021 in OA No. 581/2016 and other connected OAs filed by the similarly placed officer in the same department. In the present case, Counsel for the applicant Mr. Joy Mathew and Shri H. D. Shukla counsel for the respondent jointly also submit that, legality and validity of impugned order dated 20.06.2016 (Annexure A/2) herein, has been already decided by this Tribunal vide order dated 25.01.2021 in identical matter filed by the similarly situated officers in OA No.133/2016, OA No.581/2016 and other connected OAs, therefore, both the counsel requested that appropriate order be passed in the present OA in light of the said order dated 25.01.2021.
12. Thus, it is appropriate to refer to the relevant observation and findings of this Tribunal in identical OA No. 581/2016 which reads as under:-

“10.2. It is noticed that the Government has considered the recommendation of the 6th Central Pay Commission for introduction of Modified Assured Career Progression Scheme (MACPS) and had accepted the same with further modification to grant three Financial Upgradations under the MACPs in the standard hierarchy of Grade Pay/Pay Levels instead of promotional hierarchy in supersession of earlier ACP Scheme. Accordingly, the DoP&T had issued O.M. dated 19th May, 2009 which is known as MACP Scheme. The Clause 9 of the said Scheme reads as under:

“Clause 9. Any interpretation/clarification of doubt as to the scope and meaning of the provisions of the MACP Scheme shall be given by the Department of Personnel and Training (Establishment-D). The Scheme would be operational w.e.f. 01.09.2008. In other words, Financial Upgradation as per the provisions of the earlier ACP Scheme (of August, 1999) would be granted till 31.8.2008.”

From the aforesaid Clause 9 of the said Scheme, it can be seen that the DOP&T (Establishment-D) is the competent authority for interpretation of any part of the Scheme and clarification of any doubt as to the scope and meaning of the MACP Scheme.

- 10.3** *Further, it is noticed that the details of the MACP Scheme and conditions for grant of the financial up-gradation under the Scheme are given in Annexure-I of the said OM dated 19th May, 2009. The Para 8 and 8.1 of Annexure-1 to the MACP Scheme reads as under:*

“8. Promotions earned in the post carrying same grade pay in the promotional hierarchy as per Recruitment Rules shall counted for the purpose of MACPs. 8.1 Consequent upon the implementation of Sixth CPC’s recommendations, grade pay of Rs. 5400 is now in two pay-bands viz., PB-2 and PB-3. The grade pay of Rs. 5400 in PB-2 and Rs. 5400 in PB-3 shall be treated as separate grade pays for the purpose of grant of upgradations under MACP Scheme”

- 11.** *In the present case, it emerges from the record that after introduction of MACPs, the Department of Revenue, Central Board of Excise and Customs, dated 16.9.2009 with the approval of the Department of Expenditure issued clarification on grant of Grade Pay of Rs.5400/- in PB-2 on Non-functional basis to Group ‘B’ Officers of CBEC including Superintendent of Customs after four years of regular service in the Grade Pay of Rs. 4800/- in PB-2 to the effect that the higher Grade Pay of Rs.5400/- in PB-2 on Non-functional basis is not linked to vacancy and may be given with retrospective w.e.f. , i.e., 01.01.2006 provided the officer concerned has (i) completed minimum four years of regular service as on 01.01.2006 as Custom Appraiser/ Superintendent of Central Excise/Superintendent of Customs (P) irrespective of the pay scale attached to the post, and (ii) is clear from vigilance angle.*

Accordingly, the applicants herein who had completed four years of regular service as Superintendent, they were granted Grade Pay of Rs. 5400/- in PB-2 on Non-functional basis under the MACPS. Evidently, the applicants were granted financial up-gradation by way of Non-Functional Grade of Rs.5400/- in PB-2 w.e.f. 01.01.2006 as per the terms of MACP Scheme and were accordingly placed in respective Grade Pay.

Here, it is apt to mention that the terms and conditions with regard to the pay of the applicants are governed under Central Civil Services (Revised Pay) Rules, 2008, Further, Rule – 3 of these Rules provides definitions. According to the Rule – 3 (4) “present scale” in relation to any post/grade specified in column 2 of the First Schedule means the scale of pay specified against that post in column 3 thereof. Rule – 3 (5) defines that “pay in the pay band” means pay drawn in the running pay bands specified in column 5 of the First Schedule

and Rule 3(6) stipulates that “grade pay” is the fixed amount corresponding to the pre-revised pay scales/posts.

The First Schedule – Part A, Section – I of the said Rules indicates the revised pay bands and grade pay; the relevant revised pay band and corresponding grade pay are extracted below for ready reference:

Present Scale			Revised Pay Structure		
Sr. No.	Post /Grade	Present Scale	Name of Pay band/Scale	Corresponding Pay Bands/ Scales	Corresponding Grade Pay
(1)	(2)	(3)	(4)	(5)	(6)
14	S-13	7450-225-11500	PB-2	9300-34800	4600 (Inspector)
15	S-14	7500-250-12000	PB-2	9300-34800	4800 (Superintendent)
16	S-15	8000-275-13500	PB-2	9300-34800	5400 (NFG given after fouryears)
17	New Scale	8000-275-13500 (Group A Entry)	PB-3	15600-39100	5400 (on completion of 24years of service)
18	S-16	9000	PB-3	15600-39100	5400*
19	S-17	9000-275-9550	PB-3	15600-39100	5400*
20	S-18	10325-325-10975	PB-3	15600-39100	6600 (Claimed as 3 rd MACP)

*Not applicable in the case of CBEC

12. It is an admitted fact that the applicants joined as Inspector of Central Excise between 01.01.1982 and 31.08.1984. Thereafter, they were promoted to the post of Superintendent in the year 1996-2002 (in the pay scale of Rs. 7500 – 250 - 12000 in the 5th CPC scale & the corresponding scale in 6 th CPC is PB– 2, Pay Scale 9300 – 34800 with the Grade Pay 4800). On introduction of 6th CPC and as per order / clarification issued by Department of Revenue CBEC dated 16.09.2009 all the applicants on rendering 4 years of regular service as Superintendents were granted the benefit of Non-Functional Grade in PB-2 GP 5400/- Pay Scale 9300- 34800 w.e.f. 01.01.2006 (respective dates are stated herein below).

At that relevant time, ACP Scheme of financial up-gradation was in vogue. In accordance with the ACPS, in the year 2006, the applicants were also granted 2nd ACP of Pay Scale 15600 – 39100 in PB-3 with GP 5400/-, on completion of 24 years of service. It may be mentioned here that the PB-3 with Grade Pay 5400/- is a new scale at the Entry Grade for “Group – A service” as mentioned in the first Schedule (Part-A, Section-I, Serial No.17)

Further, it is seen that on completion of 30 years of services, the applicants were also granted benefits of 3rd MACP in PB-3 GP

6600/- in the year 2012 and thereafter in the year 2014-2016, they were promoted as Assistant Commissioners.

13.....

14.....

14.1 At this stage, it is also appropriate to take note that on a reference from the office of the Chief Controller of Accounts, CEBC whether the grant of grade pay of Rs. 5400/- in PB-2 alongwith the benefit of one increment @ 3% may be treated as ACP. In response to it the DoPT vide their communication dated 21.7.2010/26.07.2010 (Annexure R-4) had clarified that:

“the benefit of non-functional upgrading granted to the Superintendents (Group B) Officers on completion of years of service would be treated/viewed as upgradation in terms of para 8.1 of OM dated 19.5.2009 and the same would be off set against one Financial Upgradation under the MACP Scheme”.

14.2 It is further noticed that the DoP&T published a comprehensive FAQ on MACP Scheme on 1.4.2011 wherein at FAQ No. 16, the DoP&T clarified as under:

Sr.No.	Question	Answer
16	Whether “non-functional scale of Rs. 8000-13500 (revised to grade pay of Rs. 5400 in PB-3) would be reviewed as one Financial Upgradation for the purpose of MACPS ?	Yes, in terms of pr 8.1 of Annexure-I of MACPs dated 19.5.2009.

14.3 Thereafter, on 20.05.2011 the CBEC issued a letter to the Chief Commission/DGs under CBEC had taken note of the fact that NFG of Rs.5400/- in PB-2 granted between 01.01.2006 and 31.08.2008, the same is not counted under ACP. However, in terms of para 8.1 of Annexure of MACPS, financial up-gradation granted in the gradepay of Rs.5400/- in PB-2 and PB-3 would be counted separate up- gradation and would be offset against the financial up-gradation under the scheme. This contention has further been reiterated in the communication of CBEC of even No. dated 04.06.2014.

14.4 Thus, the competent authority under the MACP Scheme i.e. DoPT (Establishment–D) as also the CBEC has clarified in no uncertain terms that the benefit of Non-functional Grade granted to the Superintendent (Group-‘B’) officers, after completion of 4 years would be treated/viewed as upgradation in terms of para 8.1 of Annexure-I of OM dated 19.5.2009 and the same would be off set against one financial upgradation under MACPS and further that the grade pay of Rs. 5400 in PB-2 and Rs. 5400 in PB-3 shall be treated as separate grade pay for the purpose of grant of

upgradations under MACP Scheme. In view of this, the submission of the applicant that an exception be made for those who got their 2nd ACP between 01.01.2006 and 31.08.2008, is not tenable.

14.5 *It is noticed that in spite of aforesaid clarification issued by the competent authority, the various Commissionerate offices of Central Excise, Customs and Service Tax ignored the mandate under condition No.8.1 of the Annexure –I to MACP Scheme and extended the 3rd MACP in Grade Pay of Rs.6600/- in PB-3 to the Superintendent which was subsequently withdrawn by the respondents CBEC as per instruction/ clarification issued by the DoPT. However, grant of 3rd MACP and its subsequent withdrawal, resulted in various litigations. In this regard, it suffices to refer the observation of the Hon'ble High Court of Madras passed in the case of R.Chandrashekar v/s. Union of India & Ors., W.P No.19024/2014 decided on 08.12.2014 which reads as under :*

“15..... It is a matter of record that different departments have interpreted the clarification in different manner and the sameresultant in unfortunate situation.

16. The Customs and Central Excise Department has granted benefits of MACP to the employees like petitioner herein without taking into account the Financial Upgradation given on 'Non- functional scale'. The departments have earlier maintained that only functional promotions would be counted for the purpose of extending the benefits of the ACPS. The employees were given all benefits by taking a position that there was no provision for counting 'Non-functional scale' for the purpose of the ACPS. Subsequently, on the basis of the further clarification the benefits were all withdrawn. This resulted in filing several Original Applications before the Central Administrative Tribunal. The Central Administrative Tribunal, Chandigarh Bench rejected the contentions taken by the respondents in OA No.1038/2010. The said decision was upheld by the Hon'ble High Court of Punjab & Haryana. Even thereafter, several orders were passed by the respondents. We have considered similar writ petitions. In case the concerned departments took earnest efforts to codify all these circulars issued earlier and to issue a fresh circular explaining the nature and scope of MACPS and as to whether Non-functional scale would be counted for the purpose of ACPS, it would be possible to award cases like this and future cases that are bound to come. We are therefore of the view that instead of deciding the matter one way or the other it would be in the interest of all the parties to direct the Department of Personnel, Public Grievances and Pensions, to look into the issue and to take a decision in the light of MACP Scheme.”

14.6 *As noted hereinabove, after the aforesaid directions issued by Hon'ble High Court of Madras in R. Chandrashekar case, initially the respondents vide their letter dated 26.5.2015 directed the Commissionerate of Central Excise Chennai to grant the 3rd Financial Up-gradation in the Grade Pay of Rs.6600/- to said Shri R. Chandrasheker. Subsequently, as per the DOPT's clarification, the*

said letter dated 26.5.2015 was withdrawn and it was further clarified that the grant of Non-functional Grade Pay of Rs.5400/- in PB-2 to the Superintendent needs to be counted as one Financial Upgradation for the purpose of MACP Scheme by the Government vide order dated 20.6.2016 (which is impugned herein).

For ready reference, the said impugned order/letter 20.06.2016 is reproduced as under:-

“F.No.A-23011/25/2015-Ad.IIA
Government of India Ministry of
Finance, Department of Revenue,
Central Board of Excise and Customs
xxxxxxxxxx

North Block
New Delhi, the 20th June, 2016

To,

All the Cadre controlling Authorities under CBEC

Subject: Clarification on MACP – Grant of 3rd MACP to the Superintendent in CBEC who were granted non-functional grade pay of Rs.5400/- in Pay Band – 2 – Reg.

Sir/Madam,

I am directed to say that the Board is in receipt of various references/representations from the field offices/officers seeking clarifications on the issue of grant of 3rd Financial Upgradation under MACP Scheme to Superintendents who were granted non-functional grade pay of Rs.5400/- in Pay Band-2.

*2 The matter regarding counting of non-functional Grade pay of Rs.5400/- in Pay Band -2 to the Superintendents as one Financial Upgradation for the purpose of MACP Scheme has been re-examined in consultation with Department of Personnel & Training (DOPT). DOPT has now advised in consultation with Department of Expenditure **that the grant of non-functional grade pay of Rs.5400/- in PB-2 to the Superintendent needs to be counted as one Financial Upgradation for the purpose of MACP Scheme.** DOPT has drawn attention to the specific provision in Para 8.1 of Annexure-I of OM No.35034/3/2008-Estt.(D) dated 19th May, 2009 read with FAQ No.16 (copy enclosed) which indicate that the Non-functional scale in Grade Pay of Rs.5400/- in PB-2 is to be treated as a Financial Upgradation under MACP Scheme. DOPT has also advised that court cases including the case of R Chandrasekaran may be agitated/defended as per MACP Scheme vide DOPT O.M. dated 19.5.2009.*

*3 **The Board’s letter of even number dated 26.05.2015 addressed to Chief Commissioner of Central Excise, Chennai Zone in the case of Shri R Chandrasekaran has been treated as withdrawn.***

4 All Cadre controlling Authorities are requested to take appropriate action to settle MACP cases accordingly. Also, appropriate action may be taken to defend the cases, emerging out of the case of Shri R Chandrasekaran, on behalf of Union of India.

This issues with the approval of Chairman, CBEC.

Yours faithfully,

*(A K Quasin)
Deputy Secretary to Government of India.”*

14.7 *It is noticed that pursuant to aforesaid decision dated 20.06.2016, respondents have withdrawn the grant of benefit of 3rd MACP incase of R Chandrasekaran and also implemented the said decision by taking action in the case of applicants who are similarly placed and the benefit of 3rd MACP granted to them were also withdrawn by way of recovery. The core ground advanced by the respondents to do so is the mandate of para 8.1 of MACP policy, which stipulates that any financial up-gradation needs to be considered as one separate financial up-gradation under the MACP.*

14.8 *At this stage, it is appropriate to refer the recent dictum of Hon'ble Apex Court in the case of Union of India V/s. M.V.Mohanan Nair reported in (2020) 5 SCC 421 (for brevity referred as 'M.V.Mohanan case'), wherein Hon'ble Apex Court has considered batch of appeals filed by Union of India assailing different orders / judgments passed by the various Hon'ble High Courts dismissing petitions filed by Union of India thereby upholding decisions rendered by different Benches of the Central Administrative Tribunal granting Financial Upgradation of Grade Pay in the next promotional hierarchy by placing reliance upon the judgment passed by Hon'ble High Court of Punjab & Haryana in the case of Union of India v/s. Rajpal. The Hon'ble Apex Court considered the question whether the MACPS entitles financial up-gradation to the next Grade Pay or to the Grade Pay of the next promotional hierarchy.*

*It is noticed that while setting aside the orders of the respective High Courts in the said. M. V. Mohanan Nair case (supra) the Hon'ble Apex Court by upholding the Government Policy, has held that **'benefit under MACP Scheme are to be granted in the standard hierarchy of Grade Pays/Pay Levels and not in the promotional hierarchy'**. Further, in para 56 of the said judgment, the Hon'ble Apex Court held as under :*

'56. The ACP Scheme which is now superseded by MACP Scheme is a matter of government policy. Interference with the recommendations of an expert body like the Pay Commission and its recommendations for the MACP Scheme, would have a serious impact on the public exchequer. The recommendations of the Pay Commission of the MACP Scheme have been accepted by the Government and implemented. There is nothing to show that the Scheme is arbitrary or unjust warranting interference. Without considering the advantages in the MACP Scheme, the High Court's erred in interfering with the Government's Policy in accepting the recommendation of the 6th Central Pay Commission by simply placing reliance upon the Rajpal's case (Union of India v/s. Rajpal). The impugned orders cannot be sustained and are liable to be set aside.'

14.9 *In the present case, the respondents have followed the condition stipulated in para 8.1 of Annexure A/1 to MACP Scheme, which*

is policy of the government and the competent authority i.e. DoP&T has repeatedly issued clarifications to treat the Non Functional Grade as separate Grade Pay for the purpose of grant of benefit under MACP. The Hon'ble Apex Court categorically held in M V Mohanan Nair (supra) that the said MACP Scheme cannot be interfered with since there is no infirmity in the scheme. Under the circumstances, the said observation of the Hon'ble Apex Court is squarely applicable in the present case.

It is also apt to mention that the Hon'ble High Court of Gujarat while remanding the present OA also observed that in light of law laid down in M.V. Mohanan Nair Case nothing much was left for this Tribunal to adjudicate the issue raised by the applicant. In view of the said observation, in our considered view the submission of the counsel for the applicant that said judgment i.e. M V Mohanan Nair is not applicable in the present case is not tenable and same is rejected.

14.10 *It is the specific case of the applicants that in 2012, similarly placed official working at Chennai namely one Mr. S. Balakrishnan approached the Madras (now Chennai) Bench of this Tribunal by filing OA No. 280/2012 seeking fixation of his pay under 3rd MACP in Grade Pay of Rs.6600/- on completion of 30 years of his services. The said OA was allowed in favour of Mr. S. Balakrishnan as per order dated 22.07.2013. Aggrieved by it, Union of India had preferred writ petition No.11535/2014 before the Hon'ble Madras High Court, and the said writ petition was dismissed vide order dated 16.10.2014 with the concluding observation in para 18 of the said order, which reads as under :*

“18. The Central Administrative Tribunal correctly interpret clause 8 and 8(1) of the MACPs and quashed the impugned orders and resorted to the earlier orders granting benefit to the respondent I to 3. Similar view was taken by the Central Administrative Tribunal, Chandigarh Bench in OA No.1038 of 2010 and it was upheld by the Hon'ble High Court of Punjab and Haryana by its judgment dated 19.10.2011 in CWP No.19387 of 2011. We are therefore, of the considered view that the impugned order does not call for interference by exercising the power of judicial review.”

It is further stated by the applicants that aggrieved by the aforesaid judgment, the SLP was preferred by Union of India and the Hon'ble Supreme Court vide its order dated 31.08.2015 dismissed the said SLP (c)No.15396/2015 in limine.

*It is also argued by the counsel for the applicants that the SLP filed against the judgment passed by the Hon'ble High Court of Punjab and Haryana by its judgment dated 19.10.2011 in CWP No.19387 of 2011 i.e., **case of Union of India versus Rajpal** was also dismissed in limine, and therefore, the decision of Chennai Bench of this Tribunal dated 22.07.2013 in OA No.280/2012*

allowing the benefits of 3rd MACP up-gradation in PB -3, GP Rs.6600/- in S. Balakrishnan Case becomes final and attained finality and therefore it is completely binding upon the present respondents. Thus, the applicants herein who are identically and similarly placed as like S.Balakrishnan, they are also entitled for 3rd MACP in PB-3, GP Rs.6600/-.

15. Now, in view of the pronouncement of the judgment by the Hon'ble Supreme Court in the case of **Union of India vs. M. V. Mohanan Nair reported in (2020) 5 SCC 421**, the aforesaid submission of the applicant falls flat. The Hon'ble Supreme Court in *M. V. Mohannan (supra)* in categorical terms held that the decision rendered in **Union of India vs. Rajpal case ought not to have been quoted as precedent having been dismissed on the ground that no sufficient cause was shown for the delay in re-filing**. The Hon'ble Supreme Court observed thus,

“49. Observing that when a Special Leave Petition is dismissed by a non-speaking order, by such dismissal, the Supreme Court does not lay down any law as envisaged under Article 141 of the Constitution of India in Supreme Court Employees Welfare Association v. Union of India and Others (1989) 4 SCC 187, this Court held as under:-

22. It is now a well-settled principle of law that when a special leave petition is summarily dismissed under Article 136 of the Constitution, by such dismissal this Court does not lay down any law, as envisaged by Article 141 of the Constitution, as contended by the learned Attorney General. In Indian Oil Corporation Ltd. v. State of Bihar (1986) 4 SCC 146 it has been held by this Court that the dismissal of a special leave petition in limine by a non-speaking order does not justify any inference that, by necessary implication, the contentions raised in the special leave petition on the merits of the case have been rejected by the Supreme Court. It has been further held that the effect of a non-speaking order of dismissal of a special leave petition without anything more indicating the grounds or reasons of its dismissal must, by necessary implication, be taken to be that the Supreme Court had decided only that it was not a fit case where special leave petition should be granted. In Union of India v. All India Services Pensioners Association (1988) 2 SCC 580 this Court has given reasons for dismissing the special leave petition. When such reasons are given, the decision becomes one which attracts Article 141 of the Constitution which provides that the law declared by the Supreme Court shall be binding on all the courts within the territory of India. It, therefore, follows that when no reason is given, but a special leave petition is dismissed simplicitor, it cannot be said that there has been a declaration of law by this Court under Article 141 of the Constitution. [underlining added]

50. Raj Pals case having been dismissed on the ground that no sufficient cause was shown for the delay in re-filing Raj Pal case ought not to have been quoted as precedent of this Court by the High Court.”

15.1 *Thus, the trite principle of law is that an order rejecting the Special Petition at the threshold without giving detailed reasons does not constitute any declaration of law or a binding precedent. Therefore, the basic premise seeking the reliefs as prayed for in the present OA on the strength of the decision of the Hon'ble High Court of Madras in S Balakrishnan (supra), which decision was rendered relying on the decision of the judgment of the Hon'ble High Court of Punjab and Haryana in the case of Union of India vs. India Vs. Rajpal, cannot be said to be decision on merit. It is also pertinent to mention at this stage that the SLP preferred by the Union of India in the case of S.Balakrishnan bearing SLP No. 15396 of 2015 also came to be dismissed at the threshold. Therefore, it cannot be said the Hon'ble Apex Court approved the judgment passed by High Court of Madras since the SLP was dismissed in limine. Moreover, undisputedly the order passed in OA filed by S.Balakrishnan was based on Rajpal (supra) case and as noted hereinabove the Hon'ble Apex Court declared that judgment passed in Rajpal case cannot be treated as a precedent. Therefore, the judgment/order in the case of S.Balakrishnan (supra) cannot be treated as a precedent and thus does not help the applicants in any manner.*

15.2 *Further, the cases relied on in the case of R. Chandrasekaran (supra) by the applicant also does not stand in favour of them. It is noticed that in the said case the applicant i.e. R Chandrasekaran, who was similarly placed employee to that of Shri S Balakrishnan approached the Madras Bench of this Tribunal by filling OA 675 of 2013 seeking the very same reliefs. The said OA came to be dismissed on 24.2.2014. Being aggrieved by the said dismissal, the said R. Chandrasekaran preferred Writ Petition in WP No. 19024 of 2014 before the Hon'ble High Court of Judicature at Madras. In the said Writ Petition, the Hon'ble High Court though set aside the order of the Madras Bench of the CAT, did not grant any relief to the applicants but sent the matter to the Department of Personal, Public Grievances and Pension for their fresh consideration. Pursuant to this remand, the government vide letter dated 26.5.2015 directed the Chief Commissioner to implement the order and to grant the third financial up-gradation in the grade pay of Rs. 5400/- to Shri R. Chandrasekaran. Subsequently, vide clarification dated 20.6.2016, (which is also impugned in the present OA) the CBEC in consultation with DOPT directed for withdrawal of the said benefit of grant of 3rd MACP in PB-3 GP Rs.6600/- to said Shri R Chandrasekaran.*

At this stage, it is also apt to mention that aggrieved by said order of withdrawal dated 20.06.2016 Shri R Chandrasekaran has filed another OA No.1380/2016 before CAT, Chennai Bench which is pending as on date. Thus, the reliance placed by the applicants on the decision in R.

Chandrasekaran also does not stand to benefit of any kind to the applicants herein.

- 15.3** *It is noticed that during the pendency of M V Mohanan Nair Case before Hon'ble Apex Court & before the judgment passed in the said case, different orders / directions were issued by various Benches of this Tribunal and Hon'ble High Courts and same has been relied upon by the counsel for applicant including (i) decision of the Principal Bench of the CAT in OA No.2806 of 2016 decided on 26.2.2020 (ii) Common Order passed in Misc. Petition No.6500/2019 in Union of India & Ors. v/s B.R.K. Lyer and Ors. and other connected petitions by Hon'ble High Court of Madhya Pradesh: Jabalpur Bench which was reserved on 19.02.2020 and pronounced on 30.04.2020 (iii) Order dated 04.03.2020 in OA No.162/2018 in the case of Mune Gowda v/s. UOI & Ors. (iv) Order dated 20.12.2017 passed by Hon'ble High Court of Delhi in W. P (C) No.9357/2016 in the case of Hariram and Anr as also other orders with respect to implementation of the condition No.8.1 of Annexure –I to MACP and consequent withdrawal of the 3rd MACP granted to the Superintendent working under CBEC. Therefore, the Department of Revenue, CBEC again vide letter dated 28.10.2020 has sought advice of the DoPT regarding counting of Non- functional up-gradation (NFU) granted to the Superintendents as one financial up-gradation under MACP Scheme clarification instruction.*
- 15.4** *In response to the said queries, by taking into consideration the provision of para 8.1 of Annexure A/1 of MACP Scheme dated 19th May, 2009 including the various clarifications issued on the subject and the judgment passed by Hon'ble Apex Court in the case of Mohanan Nair as also different orders passed by various Benches of this Tribunal and various High Courts (referred above in this para), the DoPT, the competent authority in this case, has issued another clarification/ advise dated 24.12.2020, wherein it has reiterated its earlier position that NFG/NFU granted in GP 5400/- in PB -2 needs to be offset against one Financial Upgradation as per MACP Scheme. The grant of Grade Pay of Rs.5400/- in PB-2, is very much in the ladder of hierarchy of Grade Pay. After 6th CPC and introduction of MACP Scheme, MACP is granted not in the hierarchy of the promotional posts but in the hierarchy of standard Grade Pay. Any deviation from these guidelines would have repercussions in all other cadres of the Central Government and further stated that the earlier advice of DoPT dated 02.05.2016 and I.D Note dated 02.6.2016 still holds good and reiterated.*

Further, it is clarified by the DoPT that direction issued in orders /judgments of various Tribunal and Hon'ble High Courts which are referred hereinabove are not consistent with the

policy of the MACP Scheme, as also the said directions are contrary to the law laid down in the case of M V Mohanan Nair and therefore the same requires to be challenged in higher courts.

The respondents CBEC categorically contended in their reply/written submissions that on receipt of aforesaid advice / clarification of DoPT, they have filed their review applications before the concerned Tribunals/Courts against the orders/judgments referred hereinabove. In other words, the respondents have filed review applications against the orders / judgments referred and relied by the applicants as the said orders / judgments are not in consonance with the mandate of MACPS and the law laid down by Hon'ble Apex Court in the case of M V Mohanan Nair (Supra). Therefore, the judgments relied upon by the counsel for the applicants are not applicable. At the cost of repetition, we reiterate that most of the orders/judgments relied upon by the applicant has followed the order passed in S. Balakrishnan (supra) which was based on judgment passed in Rajpal case and as noted hereinabove in the case of Union of India v/s M V Mohanan Nair (supra) it has been held that the "Rajpal case" ought not to have been quoted as precedent. Therefore, also the said orders/judgments are of no help to the applicant.

15.5 *At this stage it is appropriate to mention that it is settled principles of law that the court should avoid giving a declaration granting a particular scale of pay and compelling the Government to implement the same. The prescription of Pay Scales and incentives are matters where decision is taken by the Government based upon the recommendation of the expert bodies like Pay Commission and several relevant factors including financial implication and court cannot substitute its views. As held in State of Haryana Vs. Haryana Civil Secretariat Personal Staff Association (2002) 6 SCC 72, the court should approach such matters with restraint and interfere only when the court is satisfied that the decision of the Government is arbitrary. It is also settled law that 'when the Government has accepted the recommendation of the Pay Commission and has also implemented those, any interference by the Court would have serious impact on the public exchequer'.*

In this regard, we may also profitably refer to the observation of the Hon'ble Apex Court in para 33 and 34 of M.V.Mohanan Nair (supra) which reads as under :

"33. Observing that it is the functioning that which normally acts under the recommendations of the Pay Commission which is proper authority to decide upon the issue, in Union of India and another v. P.V.

Hariharan and another (1997) 3 SCC 568, it was held as under :

“5. It is the function of the Government which normally acts on the recommendations of a Pay Commission. Change of payscale of a category has a cascading effect. Several other categories similarly situated, as well as those situated above and below, put forward their claims on the basis of such change. The Tribunal should realise that interfering with the prescribed pay scales is a serious matter. The Pay Commission, which goes into the problem at great depth and happens to have a full picture before it, is the proper authority to decide upon this issue. Very often, the doctrine of equal pay for equal work is also being misunderstood and misapplied, freely revising and enhancing the pay scales across the board. We hope and trust that the Tribunals will exercise due restraint in the matter. Unless a clear case of hostile discrimination is made out, there would be no justification for interfering with the fixation of pay scales. We have come across orders passed by Single Members and that too quite often Administrative Members, allowing such claims. These orders have a serious impact on the public exchequer too. It would be in the fitness of things if all matters relating to pay scales, i.e., matters asking for a higher pay scale or an enhanced pay scale, as the case may be, on one or the other ground, are heard by a Bench comprising at least one Judicial Member.”

34. Observing that the decision of expert bodies like the Pay Commission is not ordinarily subject to judicial review, in State of U.P. and Others v. U.P. Sales Tax Officers Grade II Association (2003) 6 SCC 250, the Supreme Court held as under:-

“11. There can be no denial of the legal position that decision of expert bodies like the Pay Commission is not ordinarily subject to judicial review obviously because pay fixation is an exercise requiring going into various aspects of the posts held in various services and nature of the duties of the employees. ”

16. *In the present case, it can be seen that as per the stipulation in Clause – 9 of the MACPS dated 19.05.2009 the DOPT (Establishment – D) is the competent authority with respect to interpretation / clarification of doubt as to the scope and meaning of the provisions of MACP Scheme and in the present case, undisputedly the said competent authority categorically instructed the CBEC to treat the NFG / NFU granted to the Superintendent as one separate financial up-gradation under MACP. The unambiguous stipulation under the MACP Scheme and consistent clarifications issued by DoPT as noted hereinabove makes it clear beyond doubt that the financial up-gradation to the applicants under NFG / NFU is to be counted*

as one MACP up-gradation.

17. *Since, applicants herein were promoted from the post of Inspector to the post of Superintendent in PB – 2 GP 4800 and thereafter on completion of 4 year of regular service as Superintendent they were granted financial up-gradation as NFG in PB – 2 GP 5400 w.e.f. 01.01.2006 / 24.09.2006 vide order dated 16.09.2009, and subsequently on completion of 24 years of service the applicants were granted 2nd financial up-gradation under ACP w.e.f. June, 2008 in PB – 3 Rs. 15600 – 39100 GP 5400 and thereafter they were also granted another financial up-gradation of 3rd MACP in GP 6600/- by ignoring grant of Financial Up-gradation as Non-Functional Grade PB – 2 GP 5400/-, in view of this factual matrix, in our considered view, the respondents have correctly treated the NFG / NFU in PB – 2 Rs. 5400 granted to the applicant as separate Grade Pay in terms of mandate of para 8.1 of Annexure A/1 of MACPS and rightly decided to withdraw the erroneous grant of further financial up-gradation by way of 3rd MACP in PB – 3 GP Rs. 6600/- for which applicants were not at all entitled. Therefore, the submissions of the applicants that the NFG granted to them cannot be treated as up-gradation in MACP is not tenable and same submission is found to be contrary to the mandate of issued in consonance with the terms of para 8.1 of Annexure A/1 to MACPS and for the said reason it cannot be said that the impugned order is suffering from any infirmities. Needless to reiterate that the two questions posed above are answered accordingly.*
18. *In view of what has been observed and decided by the Hon'ble Apex Court in **Union of India vs. M. V. Mohanan Nair (supra)** more particularly it has been held that “there is nothing to show that the scheme (i.e. MACP) is arbitrary or unjust warranting interference as also when the government has accepted the recommendation of pay commission and has also implemented those, any interference by the court would have a serious impact on the public exchequer”, in the present case as noted hereinabove since the applicants were not entitled for grant of 3rd MACP of Grade Pay Rs.6600/- in PB-3 and the respondents have correctly decided to withdraw the said benefit which was granted erroneously to the applicants, and accordingly the excess payments have already been recovered by the respondent before the retirement of some of the applicants, and therefore we are not inclined to interfere with the said recovery. The separate OAs filed by some of the applicants against the decision of respondent to recover the excess payment paid to such applicants towards 3rd MACP, the said OAs are being disposed of by separate order.*
19. *At this stage, it is apt to mention that the present applicants and some other similarly placed officials of the same department had filed identical OAs before this Tribunal in the year 2016/17, out of which in OA 581/2016 (i.e. the present one), this Tribunal vide*

its interim order dated 12.08.2016 ordered that in the interregnum, any action pursuant to the clarification bearing no.A-23011/25/2015-Ad.IIA dated 20.06.2016 (Annexure A/3) shall be subject to the final outcome of the OA. It is noticed that all the said OAs including the present OA were dismissed by this Tribunal vide its common order dated 22.09.2017 and 28.07.2017.

In the meantime, most of the applicants had retired on superannuation and immediately after dismissal of the said OAs, the respondents initiated the recovery by taking action pursuant to impugned order dated 20.06.2016. Accordingly, the respondents had re-fixed the pay of the applicants after withdrawal of the benefit of 3rd financial up-gradation under MACPS granted to them wrongly. For the said revision of pay the respondents had issued notice to the applicants/concerned officers against which they filed their reply. However, the CBEC has not acceded to their appeal/reply mainly on the ground that applicants were not entitled for the 3rd MACP and due to pendency of litigation in the Court they could not initiate action for re-fixation of their pay and consequent recovery before their retirement. Aggrieved by it some of the applicants have filed separate OAs for waiver of recovery before this Tribunal such as OA No.219/2019 and other connected OAs. It is mentioned here that in the said OAs separate order has been passed in light above discussions.”

13. From the above referred order passed by this Tribunal, it can be seen that the competent authority under the MACP Scheme had categorically instructed the CBEC “ ***to treat the NG/NFU granted to the superintendents as a separate-financial upgradation under the MACP Scheme***” and subsequent clarifications issued by DoP&T makes it clear beyond doubt that “***the financial upgradations granted to the applicants under NFG/NFU is to be counted as one MACP upgradation.***” Further, it was held that in light of recent judgment passed by Hon’ble Apex Court in the case of M. V. Mohanan Nair there is nothing to show that the scheme (i.e., MACP) is arbitrary or unjust warranting interference as also when the Government has accepted the recommendations of pay commission and has also implemented those, any interference by the Court would have serious impact in the public exchequer.

In the present case, the grievance raised by the applicants herein and prayers sought are identical in nature and context of this Tribunal's decision passed in OA No. 581/2016 dated 25.01.2021. Hence, in our considered view the said order is squarely applicable to the facts of the present case.

- 14 It is apt to mention that during the pendency of M. V. Mohanan Nair case before Hon'ble Apex Court, different orders were issued by High Courts as well as different Benches of the Tribunal for grant of the benefit of 3rd MACP and the learned counsel for the applicants has placed reliance on such orders. However, in our opinion the same will not be helpful in view of the dictum laid down by Hon'ble Apex Court in M. V. Mohanan Nair case (supra). Further, as noted in para 15.3 of the order passed in 581/2016, at the cost of repetition, we reiterate that most of the orders/judgments relied upon by the applicants had followed the order passed in S. Balakrishnan (Supra) which was passed based on the judgment passed in Rajpal case. The Hon'ble Apex Court in the case of UOI v/s M. V, Mohanan Nair categorically held that the "Rajpal Case" ought not to have been quoted as precedent. Therefore, the judgments and orders relied upon by the applicants herein are of no help to them. Once we hold that the decision in OA No.581/2016 is squarely applicable to the present case, the obvious result is that we do not find any infirmities in the Impugned decision and . in our consider view, the respondents have correctly treated the NFG/NFU in PB-2 Rs.5400 as separate Grade Pay in terms of mandate of Para 8.1 of annexure A/1 of MACPs and rightly decided to withdrawn the letter dated 16.05.2015 in the case of Shri R. Chandrasekaran vide impugned decision dated 20.06.2016 and rightly decided to withdraw the erroneous grant of further financial upgradation in PB-3 GP Rs.6600/- for which applicants were not at all entitled. Therefore, the submission of the applicants that the NFG granted to them cannot be treated as MACP is not tenable and same submission is found to be contrary to the mandate of MACP itself.

15 Thus, in view of above discussion, we do not find merit in the submission of the applicants and in light of recent order dated 25.01.2021 of this Tribunal in OA No.581/2016, this OA stands dismissed. MA if any pending same is disposed of accordingly. No costs.

(A K Dubey)
Member(A)

(Jayesh V Bhairavia)
Member(J)

PA/abp