



IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

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CWP-32136-2019 (O&M)
Date of Decision :27.01.2026

Union of India and others

...Petitioners

Versus

Central Administrative Tribunal, Chandigarh
and another

....Respondents

**CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI
HON'BLE MR. JUSTICE VIKAS SURI**

Present: Mr. Arvind Moudgil, Sr. Advocate, Senior Penal Counsel
(joined through V.C.) with
Mr. Angad Parmar and Ms. Isha Bhukal, Advocates
for the petitioners-UOI.

Mr. Sandeep Siwatch, Advocate for respondent No.2.

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Harsimran Singh Sethi, J. (Oral)

1. In the present petition, the challenge is to the impugned order dated 19.03.2019 (Annexure P/1) passed by respondent No.1-Central Administrative Tribunal, Chandigarh Bench, Chandigarh (hereinafter referred to as 'The Tribunal') whereby, the petitioners-UOI were directed to grant respondent No.2 the benefit of second financial up-gradation in the pay scale of Rs.5200-20200/- with grade pay of Rs.2400/- from the date it became due, with all consequential benefits.

2. Learned Senior counsel for the petitioners-UOI submits that the respondent No.2 namely, Narender Kumar, initially joined as a Labourer on 01.01.1986 in the pay scale of Rs.196-282/- which was later on revised to Rs.750-940. Thereafter, respondent No.2 was promoted as Vehicle

Mechanic Mate in the pay scale of Rs.800-1150/- w.e.f. 18.06.1991. It is



further submitted that after clearing the departmental competitive examination, respondent No.2 was appointed as LDC on 23.01.1992. Subsequently, on 23.04.2004, he was further promoted as Upper Division Clerk (UDC) in the pay scale of Rs.4000-6000/-, which was ultimately revised to Rs.5200-20200/- with grade pay of Rs.2400/- w.e.f. 01.01.2006.

3. Learned Senior Counsel for the petitioners-UIO further argues that while working on the post of Upper Division Clerk (UDC), the respondent No.2 sought reversion to the post of LDC having the pay scale of Rs.5200-20200/- with grade pay of Rs.1900/-. The said request was accepted by the authorities and respondent No.2 joined as LDC on 01.10.2010. Thereafter, the respondent No.2 sought protection of grade pay of Rs.2400/-, which he was drawing as UDC.

4. Learned Senior counsel for the petitioners-UIO argues that the request of respondent No.2 for grant of benefit of grade pay of Rs.2400/- was not accepted by the authorities leading to the filing of original application by respondent No.2 before the learned Tribunal. The learned Tribunal vide impugned order dated 19.03.2019 (Annexure P/1) allowed the application on the ground that under the Modified Assured Career Progression Scheme (hereinafter referred to as 'MACPS'), the next grade pay from the grade pay of Rs.1900/- is Rs.2400/- and therefore, even while working as a LDC, respondent No.2 was entitled to the said grade pay.

5. Learned Senior counsel for the petitioners-UIO submits that once, the respondent No.2 had already been granted the grade pay of Rs.2400/- on promotion as UDC, upon his reversion to the post of LDC, in the year 2010, he was only entitled to pay scale and grade pay applicable to

the post of LDC of Rs.5200-20200 with grade pay of Rs.1900/- and the



grant of MACPS to an employee who has sought reversion from the promoted post is not admissible, which fact has been ignored by the Tribunal while passing the impugned order. Hence, the impugned order dated 19.03.2019 passed by the Tribunal is liable to be set aside.

6. Learned counsel for respondent No.2 submits that though, the reversion was sought from the post of UDC to LDC, but as the grade pay was to be given of Rs.2400/- by giving the benefit of MACPS scheme, the same was rightly awarded by the Tribunal.

7. We have heard learned counsel for the parties and have gone through the record with their able assistance.

8. It may be noticed that the sole reason given by the Tribunal for granting grade pay of Rs.2400/- is that while working as LDC in the pay scale of Rs.5200-20200/- with grade pay of Rs.1900/-, the next grade pay under the MACPS scheme is Rs.2400/-. The learned Tribunal however, failed to consider that MACPS benefits granted to an employee, who has sought reversion are liable to be withdrawn. Before reversion to the post of LDC, respondent No.2 was already drawing grade pay of Rs.2400/- while working as UDC. Upon voluntary reversion to the post of LDC, grant of the same grade pay of Rs.2400/- by invoking the MACPS was impermissible, as MACPS is not applicable to an employee who has sought voluntary reversion from a higher post.

9. The idea of the MACPS scheme is to remove the stagnation and no stagnation exists qua an employee who once has been promoted to higher post and at later stage has sought reversion to a lower post from higher post.



Nos.7027-7028 of 2009 titled as Union of India and others vs. Manju

Arora & another decided on 03.01.2022 has held that no ACP can be granted to an employee who has sought reversion or has forgone the promotion. Relevant paragraphs of the said judgment are as under:-

11. As can be seen, the benefit of the financial upgradation under the ACP Scheme shall be available only if regular promotion during the prescribed intervals, 12 years and 24 years, could not be availed by an employee. While Condition no. 5.1 is clear to this effect, the Division Bench unnecessarily referred to condition No. 10 to hold in favor of employees who have refused promotion offered to them. The Court was of the opinion that the employees concerned are entitled to one financial upgradation, even if they turn down the offer of promotion, as non-acceptance of such promotion would impact only their second upgradation. With such finding, the respondents were held entitled to the relief under the ACP Scheme, although it was a case of refusal of promotion offered to the employee.

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13. Reading of the ACP Scheme shows that financial upgradation would accrue to an employee only if no regular promotions have been received by her/him at the prescribed intervals of 12 and 24 years respectively. In the entire service career, an employee is entitled to financial upgradation if the concerned employee had to suffer stagnation in the same post without benefit of any regular promotion and, as earlier stated, the O.M. dated 9.8.1999 was introduced as a “safety net” to deal with the problems of genuine stagnation and hardship faced by the employees due to lack of adequate promotional avenues. But can the benefit of the Scheme be claimed by an employee when she, despite offer of regular promotion, refuses to accept the same and chooses to remain in the existing grade of her own volition?

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16. We are quite certain that if a regular promotion is offered but is refused by the employee before becoming entitled to a financial upgradation, she/he shall not be entitled to financial upgradation only because she has suffered stagnation. This is because, it is not a case of lack of promotional opportunities but an employee opting to forfeit offered promotion, for her own personal reasons. However, this vital aspect was not appropriately appreciated by the High Court while granting relief to the employees.

17. It may also be observed that when an employee refuses the offered promotion, difficulties in manning the higher position might arise which give rise to administrative difficulties as the concerned employee very often refuse promotion in order to continue in his/her own place of posting.”



11. Keeping in view the facts and circumstances recorded hereinbefore coupled with the settled principle of law cited hereinabove, the grant of benefit to the respondent No.2 by the Tribunal is not only contrary to the MACPS scheme but also to the settled principle of law laid down by the Hon'ble Supreme Court. Accordingly, the impugned order dated 19.03.2019 (Annexure P/1) passed by respondent No.1-Tribunal is set aside and an original application filed by respondent No.2 before the learned Tribunal is dismissed.

12. Civil miscellaneous application pending if any is also disposed.

(HARSIMRAN SINGH SETHI)
JUDGE

(VIKAS SURI)
JUDGE

January 27, 2026

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Whether speaking/reasoned : Yes
Whether reportable : No