

No.14021/3/2008-AIS(II)  
Government of India  
Ministry of Personnel, Public Grievances and Pensions  
Department of Personnel and Training

New Delhi, the 16<sup>th</sup> March, 2010

To

Chief Secretaries of all  
State Governments/UTs

Subject:- Non-Functional financial upgradation for Officers of IPS/IFS in Pay Band - 3 and Pay Band - 4 in terms of Note 3 below rule 3(1) of the IPS/IFS (Pay) Amendment Rules, 2008

Sir,

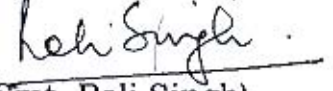
I am directed to say that the provision of non-functional financial upgradation of IPS/IFS officers in PB-3 or PB 4 linked to appointment of an IAS officer at Centre, as already made in the Note 3 below rule 3(1) of the IPS/IFS (Pay) Amendment Rules, 2008 has been further amended vide notification nos. GSR 172(E) and GSR 173(E) dated 3<sup>rd</sup> March, 2010 to include the HAG Scale and to make the application of this provision in the State cadres more clear. The text of the new provision is as follows:

“Note 3: Whenever any Indian Administrative Service officer of a particular batch is posted at the Centre to a particular grade carrying a specific grade pay in PB-3 or PB-4 or HAG scale, the members of Service, who are senior to such Indian Administrative Service officer by two years or more and have not so far been promoted to that particular grade, shall be granted the same grade on non-functional basis in their respective State cadres from the date of posting of the Indian Administrative Service officer at the Centre in that particular grade.

In the case of those members of the Service who are posted at the Centre, at the time of grant of Non-Functional upgradation under Note 3 above, their pay in pay band will be fixed by granting one increment @ 3% of the existing pay in the pay band and existing grade pay subject to the minimum of the pay band of non-functional upgradation, and they will not be granted higher grade pay or pay scale, as the case may be. Such officers will continue getting the grade pay of the post against which they have been appointed at the Centre under the Central Staffing Scheme. They will also continue getting Central Deputation Tenure Allowance (CDTA), wherever applicable.”

2. Grant of non-functional financial upgradation to IPS/IFS officers in various State/Joint Cadres of IPS/IFS, wherever due and admissible in terms of the above provisions, would be effective w.e.f. 1.1.2006 and would be subject to the terms and conditions given in Annex-I.

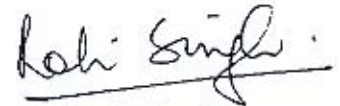
Yours faithfully



(Smt. Roli Singh)  
Director (Services)

Copy to :

1. The Prime Minister's Office, New Delhi.
2. Cabinet Secretariat, New Delhi.
3. All Ministries/Departments of Government of India.
4. Accountants General (A&E) of All States/UTs.
5. Accountants General (Audit) of All States/UTs.
6. Ministry of Home Affairs (Police Division), New Delhi.
7. Ministry of Environment and Forests (IFS Division), New Delhi.
8. NIC (DOPT), North Block for uploading this letter on the official website of DOPT.



(Smt. Roli Singh)  
Director (Services)

TERMS AND CONDITIONS FOR GRANT OF NON-FUNCTIONAL  
FINANCIAL UPGRADATION IN PAY BAND 3 OR PAY BAND 4 or  
HAG SCALE TO OFFICERS OF  
INDIAN POLICE SERVICE /INDIAN FOREST SERVICE.

1. The non functional up-gradation granted in terms of provisions contained the Note 3 below rule 3(1) of the amended IPS/IFS (Pay) Rules, 2007 will be based on posting of particular batch of IAS officer at Centre after empanelment, under Central Staffing Scheme. Such up-gradation would not be linked to the vacancies in the grade.
2. The up-gradation granted under these orders will be a purely non- functional financial up-gradation, personal to the officer and It would not bestow any right to the officer to claim promotion or designation of the higher post or deputation benefits based on his non-functional up-gradation in such a manner.
3. All the prescribed eligibility criteria and promotional norms including 'benchmark' for up-gradation to a particular grade pay would have to be met at the time of screening for grant of higher pay band/grade pay under these orders.
4. A screening committee would be formed by the concerned State cadre authorities for implementation of these provisions. There would be three members in committee so formed and they would at-least be one level above the grade for which up-gradation is being considered. Chief Secretary of the concerned State would chair the committee. In respect of AGMUT cadres of IPS/IFS, Home Secretary/Secretary, Environment and Forests, Govt. of India would chair the committee.
5. All instructions concerning grant of non-functional upgradation presently applicable in the case of grant of non-functional Junior Administrative Grade to officers of IPS/IFS would apply in the event of penalty, disciplinary proceedings, suspension etc.
6. Orders will be issued with the approval of the competent authority. Grant of higher pay scale on the non-functional basis would be from the date of posting of the first officer belonging to the particular batch of IAS under these orders will be given from the due date.

7. Pay fixation (i) Pay fixation on grant of non-functional financial up-gradation under these provisions will be done as per the provisions of IPS/IFS (Pay) Rules, 2007 as amended vide this Department's notifications (GSR no.691 and 692) dated 27<sup>th</sup> September, 2008 i.e. the officers will be granted one increment at the rate of 3% of basic pay and the existing grade pay will be substituted by the grade pay of the particular grade of Service in which the non-functional financial upgradation has been granted.

(ii) As far as similarly placed officers of IPS/IFS, posted on Central deputation, are concerned, they will be granted one increment @ 3% of the existing pay in the pay band and existing grade pay subject to the minimum of the pay band of financial upgradation, on account of the non-functional financial up-gradation, but their grade pay will remain unchanged on the ground that they are holding a particular post with a specific grade pay under the Central Staffing Scheme. In such cases the officers granted non-functional financial up-gradation may continue to draw CDTA if admissible.

8. As and when the normal vacancies in the grade arise, the officer will be considered for regular promotion as per the promotion guidelines. However at the time of promotion, the pay in the grade will not be fixed again for officers who have been granted up-gradation under these orders.
9. Officers on deputation / study leave or any other duly sanctioned leave would also be considered and granted higher pay-scale on non-functional basis according to the prescribed procedure.
10. Non-functional up-gradation to the next higher grade pay granted under the scheme is a fall back option only, to be applied in cases where officers of IPS/IFS have not been granted promotion to a particular grade in pay band 3 or pay band 4 in normal course according to due procedure.

ILLUSTRATION:- If officers of 1987 batch of IAS are empanelled as Joint Secretary in the grade pay of Rs. 10,000/- in PB-4 and an officer of the batch gets posted at Centre (under Central Staffing Scheme) on 15<sup>th</sup> January 2008, all the officers of the 1985 batch of IPS/IFS who have not been promoted to the IGP/CCF grade and who are eligible for the same on 1/1/2007 for the panel year 2007-08, would be granted the same grade on non-functional basis under these instructions w.e.f. 15<sup>th</sup> January, 2008. Same would be the case in the event of posting of an officer of particular batch as Deputy Secretary/Director etc. under Central Staffing Scheme.