

No. 42/15/2022-P&PW(D)/6
Government of India
Ministry of Personnel, P.G. & Pensions
Department of Pension & Pensioners' Welfare

3rd Floor, Lok Nayak Bhawan,
Khan Market, New Delhi-110003
Date:- 31st Oct, 2022

OFFICE MEMORANDUM

Sub:- Commutation of pension on more than one occasion – Clarification regarding

In accordance with Rule 5 of CCS (Commutation of Pension) Rules, 1981, a Government servant can commute for a lump-sum payment of an amount not exceeding 40 per cent of his basic pension.

2. References/representations have been received in this Department seeking clarification whether it is permissible for a person, who has commuted a percentage of his basic pension which is less than 40% of his basic pension, to commute a percentage of basic pension on a second or subsequent occasion within the overall maximum limit of 40%.

3. As per Rule 10 of CCS (Commutation of Pension) Rules, 1981, an applicant who has commuted a percentage of his final pension and after commutation his pension has been revised and enhanced retrospectively as a result of Government's decision, the applicant shall be paid the difference between the commuted value determined with reference to enhanced pension and the commuted value already authorized. For the payment of difference, the applicant shall not be required to apply afresh. This Department's OM No. 42/14/2016-P&PW (G) dated 24.10.2016 provides that those pensioners who retired from 01.01.2016 till 04.08.2016, i.e. the date of issue of orders for revised pay/pension based on the recommendations of the 7th CPC, may be given an option, in relaxation of Rule 10 of CCS (Commutation of Pension), Rules, 1981, not to commute the pension which has become additionally commutable on revision of pay/pension on implementation of recommendations of the 7th CPC.

4. There is, however, no provision in the Central Civil Services (Commutation of Pension) Rules, 1981 for commutation of a percentage of basic pension on a second or subsequent occasion within the overall maximum limit of 40%, if the pensioner had originally commuted a percentage of his basic pension which was less than 40% of his basic pension.

5. The above clarification may be brought to the notice of the personnel dealing with the pensionary benefits in the Ministry/Department and attached/subordinate offices thereunder, for strict implementation.



(Charanjit Taneja)
Under Secretary

1. All Ministries/Departments of the Government of India.
2. C&AG of India, UPSC, etc.