

F. No. 38/79/08-P&PW(G)  
Government of India  
Ministry of Personnel, Public Grievances & Pensions  
Department of Pension & Pensioners' Welfare

3<sup>rd</sup> Floor, Lok Nayak Bhavan,  
Khan Market, New Delhi - 110003  
Date: 27<sup>th</sup> October, 2010

OFFICE MEMORANDUM

**Sub.: Payment of Commutation Value of additional amount of pension in respect of employees who retired on/after 1.1.2006 but before 2.9.2008 and expired before exercising option for commutation of additional amount of pension - Regarding.**

As per the provisions contained in para 9.3 of this Department's OM No. 38/37/08-P&PW(A) dated 2<sup>nd</sup> September, 2008, the revised table of commutation value for pension will be used for all commutations of pension which become absolute after the date of issue of this OM. In the case of those pensioners, in whose case commutation of pension became absolute on or after 1.1.2006 but before the issue of this OM, the pre-revised Table of Commutation value for pension will be used for payment of commutation of pension based on pre revised pay/pension. Such pensioners shall have an option to commute the amount of pension that has become additionally commutable on account of retrospective revision of pay/pension on implementation of the recommendations of the Sixth Central Pay Commission. On exercising such an option by the pensioner, the revised Table of Commutation Value for pension will be used for the commutation of the additional amount of pension that has become commutable on account of retrospective revision of pay/pension. In all cases where the date of retirement/commutation of pension is on or after 2.9.2008, the revised Table of Commutation Value for pension will be used for commutation of entire pension.

2. References have been received from various Departments seeking clarification from this Department whether the commutation value of additional pension in respect of such employees who had retired during the period between 1.1.2006 and 2.9.2008 and died before exercising option is payable to the eligible member of family or not. The issue has been examined in consultation with Ministry of Finance, Department of Expenditure who has observed that the Pay Commissions' intention was that the pensioner should exercise a conscious choice in view of the fact that the commutation table has changed w.e.f. 1.1.2006. As such, in these cases, the Rule 10 of CCS (Commutation of Pension) Rules, 1981 may be followed and difference in commuted value be paid without fresh applications. The intention was not to deny the higher capitalized value on account of revision of pension.

3. This issues with the concurrence of Ministry of Finance, Department of Expenditure vide their UO No. 456/EV/2010 dated 18.10.2010.

  
( V. K. Wadhwa )

Under Secretary to the Government of India  
Telefax : 24644637

To

All Ministries/Departments of the Government of India.