

**GOVERNMENT OF MADHYA PRADESH
FINANCE DEPARTMENT**



**The Madhya Pradesh Civil Services (Commutation of Pension) Rules, 1996
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GOVERNMENT OF MADHYA PRADESH

FINANCE DEPARTMENT

Bhopal, Dated the twenty first of August, 1996

No. B-25/13/96/PWC/IV In exercise of the powers conferred by the proviso to Article 309 of the Constitution of India, the Governor of Madhya Pradesh hereby makes the following rules, namely:—

1. **Short title and commencement.**—

- (1) These rules may be called the Madhya Pradesh Civil Services (Commutation of Pension) Rules, 1996.
- (2) They Shall be deemed to have come into force on the sixth day of February, 1995.

2. **Application.**—

These rules shall apply to those Government servants who may be entitled to or have been authorised any class of pension, excluding Compassionate Allowance, referred to in Chapter V of the Madhya Pradesh Civil Services (Pension) Rules, 1976 or under the Madhya Pradesh (Work-Charged and Contingency Paid Employees) Pension Rules, 1979.



3. **Definition.**—

(1) In these rules unless the context otherwise requires —

- (a) "Audit Officer" means the officer, whatever is his official designation, who authorises the pension;
- (b) "Applicant" means a Government servant, including a retired Government servant, who applies for commutation of a fraction of pension in Form A;
- (c) "Form" means a Form appended to these rules;
- (d) "Government" means the State Government of Madhya Pradesh;
- (e) "Head of Office" means the gazetted officer-in-charge of a local office where the Government servant was serving before his retirement;
- (f) "Pension" means any class of pension referred to in Chapter-V of the Pension Rules but does not include compassionate allowance, extra pension and the amount, by whatever name called, granted by the Government to a pensioner as a compensation for higher cost of living;
- (g) "Pension Rules" means the Madhya Pradesh Civil Services (Pension) Rules, 1976 and the Madhya Pradesh (Work-Charged and Contingency Paid Employees) Pension Rules, 1979;
- (h) "Treasury" includes a "Sub-Treasury".

2. The words and expressions used in these rules but not defined shall have the meanings respectively assigned to them in the Pension Rules.



4. **Restriction on commutation of pension.**—

(1) No Government Servant against whom departmental or judicial proceeding as referred to in Rule 9 of the Pension Rules have been instituted before the date of his retirement, or the pensioner against whom such proceedings are instituted after the date of his retirement, shall be eligible to commute a fraction of his provisional pension authorised under Rule 64 of the Pension Rules or the pension, as the case may be, during the pendency of such proceedings.

(2) Anticipatory pension shall not be allowed to be commuted.



5. **Limit on commutation of pension.**—

(1) A Government Servant shall be entitled to commute, for a lump sum payment, a fraction not exceeding one-third of his pension.

(Explanation. - Where the actual pension worked out in accordance with the provisions of rule 43 of the Pension Rules is less than the minimum pension as determined by the Government from time to time, the pension for the purposes of commutation is to be reckoned as minimum pension.

(2) In an application for commutation in Form 'A', the applicant shall indicate the fraction of pension which he desires to commute and may either indicate the maximum limit of one third of pension or such lower amount as he may desire to commute.

(3) If the fraction of the pension to be commuted results in fraction of a rupee, such fraction of rupee shall be ignored for the purpose of commutation.

(4) No Commutation is permissible after the age of 70 years.



6. **Commutation of pension to become absolute.**—

(1) The commutation of pension shall become absolute in the case of an applicant referred to:—

(i) in sub-rule (1) of Rule 11, on the date on which the application in Form 'A' is received by the Head of Office;

(ii) in sub-rule (2) of Rule 11, on the date following the date of his retirement:

Provided that the reduction in the amount of pension on account of commutation shall be operative from the date of receipt of the commuted value of pension or at the end of three months after issue of authority by the Audit Officer for the payment of commuted value of pension, whichever is earlier.

(2) In the case of an applicant referred to in Rule 9, the commuted value is paid in two stages. The reduction in the amount of pension shall be made from the respective dates of the payments as laid down in proviso to sub-rule (1).

(3) The date on which the payment of the commuted value of pension was made to the applicant shall be entered in both halves of the Pension Payment Order by the Treasury Officer.



7. Nominations.—

(1) An applicant shall make a nomination in Form 'B', at the time of submitting application in Form 'A', conferring on one or more members of his family as defined in sub-rule (5) of rule 44 of the Pension Rules, the right to receive the commuted value of pension in case the applicant dies without receiving the commuted value on or after the date on which commutation becomes absolute.

(2) If the pensioner dies on or after the day on which commutation becomes absolute but before receiving the commuted value, this value shall be paid in the following manner:—

(a) The commuted value shall be paid to the person or persons on whom the right to receive the same is conferred by means of a nomination under sub-rule (1);

(b) If there is no such nomination, or if the nomination made does not subsist, the commuted value shall be paid to the family in the manner indicated below:—

(i) If there are one or more surviving members of the family as in clause (i), (ii), (iii), and (iv) of sub-rule (5) of rule 44 of the Pension Rules, to all such members in equal shares;

(ii) If there are no such surviving members of the family as in sub-clause (i) above, but there are one or more members as in clause (v), (vi), (vii), (viii), (ix), (x) and (xi) of sub-rule (5) of rule 44 of the Pension Rules, to all such members in equal shares.

(c) If in any case the commuted value cannot be paid in the manner indicated in clauses (a) and (b), the same shall be paid to his legal heirs.



8. Calculation of commuted value of pension.—

The lump sum payable to an applicant shall be calculated in accordance with the value table appended to these rules.



9. Retrospective revision of final pension.—

An applicant who has commuted a fraction of his final pension and after commutation his pension has been revised and enhanced retrospectively as a result of Government decision, the applicant shall be paid the difference between the commuted value determined with reference to enhanced pension and the commuted value already authorised:

Provided that an applicant, who has indicated a fixed amount to be commuted not exceeding one third of the sanctioned pension, shall not be allowed to be paid the difference between the commuted value already authorised and the commuted value on account of revised pension.



10. Restoration of commuted portion of pension.—

(1) A pensioner who has commuted a portion of his pension and who has completed 70 years of age will have his commuted portion of pension restored from the first day following the month in which he attains the age of 70 years.

(2) A pensioner who is eligible for restoration as per sub- rule (1), shall apply in Form 'C' to the Treasury Officer concerned who will restore the commuted portion of pension.



11. **Application for commutation of pension.**—

(1) An applicant, who is in receipt of any pension and desires to commute a fraction of his pension any time after the date following date of his retirement from service but before the age of 70 years shall apply to the Head of Office in Form 'A'.

(2) A Government Servant who is due to retire on superannuation and desires payment of the commuted value of pension being authorised at the time of issue of the Pension Payment Order, shall be eligible to apply for commutation of a fraction of pension in Form 'A', along with pension papers prior to the date of retirement.



12. **Action to be taken by the Head of Office.**—

On receipt of an application for commutation of pension, the Head of Office shall—

(a) initial the Form indicating the date of its receipt;

(b) acknowledge immediately the receipt of Form 'A' and despatch the same to the applicant;

(c) take immediate action to complete the Form and forward the same to the Audit Officer retaining one copy for his record.



13. **Authorisation of commuted value by the Audit Officer.**—

(1) The Audit Officer on receipt of Form 'A' from the Head of Office shall verify that—

(a) information furnished by the Head of Office is correct;

(b) the applicant is eligible to commute a fraction of his pension.

(2) The Audit Officer after necessary verification of the information furnished in Form 'A' shall—

(a) issue authority for the payment of commuted value of pension to the Treasury Officer concerned;

(b) endorse to the applicant a copy of the authority referred to in clause (a) with the instruction that he should collect the commuted value of pension from the Treasury Officer concerned.



14. **Repeal.** -

The Madhya Pradesh Civil Pensions (Commutation) Rules, 1976 in force immediately before the commencement of these rules are hereby repealed in respect of matters covered by these rules:

Provided that any order made or action taken under the rules so repealed shall be deemed to have been made or taken under the corresponding provisions of these Rules.



TABLE

[See Rule 8]

COMMUTATION VALUES OF A PENSION OF ONE RUPEE PER ANNUM

Age next birth day	Commutation values as number of year's purchase	Age next birth day	Commutation values as number of year's purchase
28	18.07	50	13.25
29	17.93	51	12.95
30	17.78	52	12.66
31	17.62	53	12.35
32	17.46	54	12.05
33	17.29	55	11.73
34	17.11	56	11.42
35	16.92	57	11.10
36	16.72	58	10.78
37	16.52	59	10.46
38	16.31	60	10.13
39	16.09	61	9.81
40	15.87	62	9.48
41	15.64	63	9.15
42	15.40	64	8.82
43	15.15	65	8.50
44	14.90	66	8.17
45	14.64	67	7.85
46	14.37	68	7.53
47	14.10	69	7.22
48	13.82	70	6.91
49	13.54		

FORM A

[See Rule 5 (2) and (11)]

Application for commutation of Pension

To,

(Head of Office)

Photograph of the applicant
attested by a Gazetted
Officer

Subject : Application for commutation of pension.

1. Full name of the applicant
2. Date of birth
3. Date of retirement
4. Kind of pension
5. Post held
6. Department/Office from where retired/is retiring
7. Amount of pension
8. Name of Treasury from where pension is drawn/to be drawn
9. Amount of pension to be commuted
10. Postal address (for communication)
11. Pension Payment Order No. and the designation of Issuing Authority

Place :

Signature

Date : Full name

Verification by Head of Office

This is to certify that the application for commutation of pension was received in the office on/...../..... from Shri/Ms.

Signature & seal
of Head of Office

Acknowledgment

The application for commutation of pension from Shri/Ms. received in this office on/...../.....

Signature & seal of Head
of Office

FORM B

[See rule 7]

To,

..... (Head of Office)

..... (Place)

I,(Name of the pensioner in capital letters), hereby nominate the person(s) named below, under Rule 7 of the Madhya Pradesh Civil Services (Commutation of Pension) Rules, 1996:-

1. Name and Address of the nominee(s)
2. Relationship with the pensioner
3. If nominee is minor-
 - (a) Date of birth
 - (b) Name and address of person who may receive the said commuted value during the nominee's minority
4. Name and address of other nominee in case nominee under serial number 1 pre-deceases the pensioner
5. Relationship with the pensioner
6. Date of birth if the other nominee is minor
7. Name and address of person who may receive the commuted value of pension during the other nominee's minority
8. Contingency on happening of which nomination shall become invalid

Place : Signature

Date : Full name

Signature & seal
of Head of Office

Acknowledgment to be sent by Head of Office

Certified that the nomination has been received from Shri/Ms.....(Name of pensioner).

Place
:

Signature
& seal of
Head of
Office

Date
:

FORM C

[See Rule 10(2)]

To,

The Treasury Officer

I request for the restoration of commuted portion of my pension. Relevant particulars are as under: -

1. Name of the pensioner with complete postal address
2. Pension Payment Order No.
3. Date of birth
4. Date of retirement
5. Date of commencement of pension
6. Amount of original pension
7. (a) Amount commuted
(b) Date of effect of reduction of pension
8. Date of completion of 70 years of age

Place :

Signature & Full name

Date :

Note. - Life certificate signed by a gazetted officer should be appended along with the application.



GOVERNMENT OF MADHYA PRADESH

FINANCE DEPARTMENT

NOTIFICATION

Bhopal Dated the twenty first of August, 1996

No. B-25/10/95/PWC/IV In exercise of the powers conferred by proviso to Article 309 of the Constitution of India, the Governor of Madhya Pradesh, hereby makes the following further amendments in the Madhya Pradesh Civil Services (Pension) Rules, 1976 namely:—

AMENDMENTS

In the said rules:—

(i) In note below sub-rule (3) of rule 17, for the words, bracket and figure "M.P. Civil Pension (Commutation) rules, 1976", the words, bracket and figure "Madhya Pradesh Civil Services (Commutation of Pension) Rules, 1996" shall be substituted.

(ii) Appendix - I of Madhya Pradesh Civil Services (Pension) Rules, 1976 shall be deleted.

2. This amendment shall be deemed to have come into force with effect from 6th February 1995.

By order and in the name of the Governor of Madhya

Pradesh,

(S. G. Limaye)
(Deputy Secretary)
Finance Department

