

Govt servants can't draw pension from 2 employers

A government employee cannot draw pension from his/her previous employer and simultaneously enjoy service gratuity benefits from another employer, the Delhi high court has ruled.

The court clarified that a person on being re-employed will not be entitled to a separate pension or service gratuity for the period of his re-employment if he is already drawing pension from his previous employer.

“The object of law is twofold: firstly that the security in the form of pension has to be granted by one employer and not by two employers and secondly that both pension and service gratuity are not payable together as one is the substitute of the other,” Justice Valmiki J Mehta said.

The ruling came on a petition filed by one Lt Col (Retd) SS Dubey seeking direction to the Director of Education for payment of both service gratuity and retirement gratuity as provided under the Central Civil Services (CCS) (Pension) Rules, 1972 for his service rendered to the Army Public School in New Delhi.

Dubey, who had worked in the military services, was already drawing pension on his superannuation from the Army since March 1998.

He started working as Manager (Administration) of the school in December 2000, and retired in March 2007 on attaining the age of superannuation of 60 years.

Dubey argued that since he had completed over six years at the school, he was entitled to both the service and retirement gratuity.

Under the rule, if the service period of an employee does not touch the minimum ten years period, but is more than five years, than he is entitled to both service and retirement gratuity. Observing that, “Pension and service gratuity are alternative to the other,” the court said Dubey’s contention was “misconceived”. It said he was entitled only to the retirement gratuity, which he had already received.

“Petitioner (Dubey) will be entitled to only one gratuity and which is retirement gratuity, and that too under the Payment of Gratuity Act, 1972,” the court said.

The court noted that Army Public School, being a private unaided school, the rules of Payment of Gratuity Act, 1972 will apply and not CCS (Pension) Rules as relied upon by Dubey.

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