



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 19TH DAY OF JUNE, 2026

BEFORE

THE HON'BLE MR. JUSTICE ASHOK S.KINAGI

WRIT PETITION NO. 879 OF 2026 (S-R)

BETWEEN:

1. SRI.KESHAVA S
S/O SRINIVAS
R/AT UPPOR, KUDRUBETTU
AGED ABOUT 70 YEARS
UDUPI TALUK,
UDUPI DISTRICT – 576105
2. SRI. ISHWARA H
S/O LATE GANGAIAH
AGED ABOUT 70 YEARS
R/AT BHAGYALAKSHMI NILAYA
VENKATESH NAGARA, A.N.K.ROAD
SHIVAMOGGA- 577201
3. SRI. G. DINESH ALIAS DINESH RAO
S/O LATE SADASHIVA RAO
AGED ABOUT 68 YEARS
R/AT OPPOSITE PANDURANGA
BAJANA MANDIRA
BIKARNAKATTE
MANGALURU – 575005
4. SRI. RAJEEVA U.A
S/O ANNAIAH
AGED ABOUT 67 YEARS
R/AT LLR ROAD,
KUNDAPURA 576201
5. SRI. B.N. MANJUNATH NAIK

Digitally
signed by
KIRAN
KUMAR R
Location:
HIGH COURT
OF
KARNATAKA



**NC: 2026:KHC:30470
WP No. 879 of 2026**

S/O NARAYANAPPA B
AGED ABOUT 68 YEARS
R/AT PADMASHREE NILAYA
JAIL ROAD, 4TH CROSS
SHIVAMOGGA - 577201

...PETITIONERS

(BY SRI. K.M. PRAKASH, ADVOCATE)

AND:

CANARA BANK
NO. 112, J.C.ROAD
BENGALURU - 560001
REPRESENTED BY ITS GENERAL MANAGER

...RESPONDENT

(BY SRI. NAGARALE SANTOSH SUBHASHCHANDRA.,
ADVOCATE)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE ENDORSEMENT DATED 14.08.2025 ISSUED TO PETITIONER No.1 BY THE RESPONDENT BANK VIDE ANNEX-F BEARING NO. INSW/SAS/RET/755/2025 AS THE SAME IS ILLEGAL AND NOT SUSTAINABLE IN THE EYE OF LAW. DIRECT THE RESPONDENT BANK TO PAY THE COMPOUNDABLE INTEREST AT THE RATE OF 12 PERCENT ON THE DELAYED PAYMENT OF PENSIONARY AND TERMINAL BENEFITS FROM THE DATE OF ENTITLEMENT TO TILL DATE OF PAYMENT TO THE PETITIONERS.

THIS PETITION, COMING ON FOR PRELIMINARY HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE ASHOK S.KINAGI



ORAL ORDER

The petitioners filed this writ petition seeking the following reliefs:

- "a. Issue a writ of certiorari by quashing the endorsement dated 14/08/2025 issued to petitioner No.1 by the Respondent bank vide Annexure- F bearing No.INSW:SAS:RET:755:2025 as the same is illegal and not sustainable in the eye of law.*
- b. Issue a Writ of Mandamus or any other Writ by directing the Respondent Bank to pay the Compoundable Interest at the rate of 12% on the delayed payment of Pensionary and terminal Benefit from the date of entitlement to till date of payment to the Petitioners.*
- c. Grant any such Relief/s as this Hon'ble Court deems fit to grant in the interest of justice and equity."*

2. Brief facts leading rise to the filing of this petition are as follows:

2.1. The petitioners were working in the respondent-Bank. The petitioners challenged the show-cause notice issued by the respondent-Bank in WP No.56358-364/2019 before this Court. The said writ petition came to be



disposed of vide order dated 23.01.2019. The respondent-Bank did not settle the retiral benefits of the petitioners. The petitioners again approached this Court in WP No.15123/2020. The said writ petition came to be disposed of vide order dated 01.12.2021. The respondent-Bank issued an endorsement dated 28.02.2022 to the petitioners rejecting the claim of the petitioners and denied the payment of retiral benefits. WP No.6424/2022 came to be allowed vide order dated 04.09.2023 and the respondent-Bank was directed to pay the retiral benefits to the petitioners as ordered by this Court in WP Nos.43102/2020 and 15123/2020 within three months. The respondent-Bank, aggrieved by the order passed in WP No.6124/2022, preferred a writ appeal before the Division Bench of this Court in WA No.1502/2023. The said writ appeal came to be rejected vide judgment dated 11.12.2023. The respondent-Bank, aggrieved by the order passed in the writ petition as well as writ appeal, preferred a special leave petition before the Hon'ble Apex Court in



SLP(C) No.5/2024. The Hon'ble Apex Court, vide order dated 28.02.2025, dismissed the special leave petition filed by the respondent-Bank. Petitioner No.1 approached the respondent-Bank seeking interest on delayed payment of retiral benefits. The respondent-Bank denied the request made by the petitioner by issuing the impugned endorsement dated 14.08.2025. Hence, this petition.

3. The respondent-Bank filed a statement of objections contending that, the delay caused in payment of retiral benefits is on account of the petitioners. It is contended that, the petitioners approached this Court by filing writ petitions, and filing of writ appeal and special leave petition pending before the Hon'ble Apex Court had direct consequences on the fraudulent conduct of the petitioners. There was a *bona fide* legal impediment for the respondent-Bank for payment of retiral benefits until the Hon'ble Apex Court's final order including the *status quo* order dated 08.07.2019. Hence, prays to dismiss the writ petition.



4. Heard the arguments of learned counsel for the petitioners and learned counsel for the respondent-Bank.

5. Learned counsel for the petitioners submits that, the petitioner No.1 retired from the service in 2015 and the retiral benefits were disbursed in 2025. He submits that, though there is a direction issued by the Co-ordinate Bench of this Court in WP No.15123/2020 to settle the retiral benefits along with admissible interest, the respondent-Bank did not settle the benefits even after a period of ten years from the date of retirement. Thus, petitioner No.1 is entitled for interest on the delayed payment of retiral benefits. To buttress his arguments, he has placed reliance upon the judgments of the Hon'ble Apex Court in the cases of ***Vijay L. Mehrotra Vs. State of U.P. and Others*¹**, ***Dr. Uma Agrawal Vs. State of U.P. and Another*²** and ***D.D.Tewari (Dead) through Legal Representatives Vs. Uttar Haryana Bijli Vitran***

¹ (2001) 9 SCC 687

² (1999) 3 SCC 438



Nigam Limited and Others³. Hence, on these grounds, he prays to allow the writ petition.

6. Learned counsel for the respondent-Bank submits that, the delay was caused on account of the petitioners. Petitioner No.1 and others approached this Court in WP No.15123/2020 after a lapse of five years after attaining the age of superannuation. There is no delay caused on the part of the respondent-Bank in disbursing the retiral benefits, and the respondent-Bank is not liable to pay any interest as claimed by the petitioners. Hence, on these grounds, he prays to dismiss the writ petition.

7. Perused the records and considered the submissions of the learned counsel for the parties.

8. It is undisputed that petitioner No.1 retired from service in 2015. Petitioner No.1 requested respondent-Bank to release the retiral benefits which petitioner No.1 was entitled to as of the date of

³ (2014) 8 SCC 894



retirement. The respondent-Bank did not consider the request made by petitioner No.1.

9. Petitioner No.1 and others approached this Court in WP No.15123/2020. The Co-ordinate Bench of this Court disposed of the said writ petition vide order dated 01.12.2021. While disposing of the writ petition, the Co-ordinate Bench has observed in paragraph No.6 as follows:

"6. Admittedly, the petitioners were in service of respondent-Bank and on attaining the age of superannuation, they retired from respondent-Bank. The first petitioner retired on 31.07.2016, second petitioner retired on 31.05.2016, 3rd petitioner retired on 31.05.2017, 4th petitioner retired on 31.12.2018 and 5th petitioner retired on 30.09.2017, respectively. On their retirement, the terminal benefits of the petitioners are not settled. It is the claim of the petitioners that there is no enquiry pending against them nor they were inflicted with any punishment during their services. On the other hand, learned counsel for the respondent submits that the Bank would verify as to whether there is any enquiry or whether they were inflicted with any order of punishment. It is for the respondent-Bank to settle terminal benefits as on the date of retirement of



employee of the Bank unless there is valid reasons for withholding terminal benefits. Therefore, it is the bounden duty of the respondent-Bank to settle the terminal benefits of the petitioners as expeditiously as possible, after verifying as to whether there is any enquiry pending or whether any punishment was imposed on the petitioners. If there is no enquiry and if there is no legal impediment for settlement of terminal benefits, the same shall be settled along with admissible interest. Therefore, the following order:

The respondent-Bank is directed to consider the cases of the petitioners for settlement of terminal benefits as on the date of their retirement and pass appropriate orders in accordance with law.

With the above direction, the writ petition is disposed of.

Time for compliance: three months from the date of receipt of a copy of this order."

From the perusal of paragraph No.6 of the order passed in the aforesaid writ petition, it is clear that the Co-ordinate Bench has recorded its findings that if there is no enquiry pending or no punishment imposed on the petitioners and if there is no legal impediment for settlement of terminal benefits, the same shall be settled along with admissible



interest. The respondent-Bank did not comply with the directions issued by the Co-ordinate Bench in the aforesaid writ petition.

10. Petitioner No.1 and others approached this Court in WP No.6124/2022, wherein the petitioners have challenged the letters dated 28.02.2022 issued by the respondent-Bank wherein the respondent-Bank refused to pay the interest on the delayed payment of the retiral benefits. The said writ petition came to be allowed vide order dated 04.09.2023 and it was directed to the respondent-Bank to pay the retiral benefits to the petitioners as ordered by this Court in WP Nos.43102/2017 and 15123/2020 within two months from the date of receipt of a copy of that order. The respondent-Bank, aggrieved by the order passed in WP No.6124/2022, preferred a writ appeal before the Division Bench of this Court in WA No.1502/2023. The Division Bench, vide judgment dated 11.12.2023, dismissed the writ appeal and confirmed the order passed



by the Co-ordinate Bench in WP No.6124/2022. The Hon'ble Apex Court had, vide order dated 08.07.2019 in SLP(C) Nos.13484-488/2019, directed to maintain *status quo*. However, SLP(C) No.5/2024 preferred by the respondent-Bank before the Hon'ble Apex Court challenging the order passed by the Division Bench of this Court in WA No.1502/2023 was dismissed, and three months' time was granted to the respondent-Bank to pay the retiral benefits.

11. The Hon'ble Apex Court, in the case of **Dr. Uma Agrawal** (supra) has, in paragraph Nos.6 and 7, held as follows:

"6. The case before us is a clear example of departmental delay which is not excusable. The petitioner retired on 30-4-1993 and it was only after 12-2-1996 when an interim order was passed in this writ petition that the respondents woke up and started work by sending a special messenger to various places where the petitioner had worked. Such an exercise should have started at least in 1991, two years before retirement. The amounts due to the petitioner were computed and the payments were made only during 1997-98. The petitioner



was a cancer patient and was indeed put to great hardship. Even assuming that some letters were sent to the petitioner after her retirement on 30-3-1993 seeking information from her, an allegation which is denied by the petitioner, that cannot be an excuse for the lethargy of the Department inasmuch as the Rules and instructions require these actions to be taken long before retirement. The exercise which was to be completed long before retirement was in fact started long after the petitioner's retirement.

7. Therefore, this is a fit case for awarding interest to the petitioner. We do not think that for the purpose of the computation of interest, the matter should go back. Instead, on the facts of this case, we quantify the interest payable at Rs 1 lakh and direct that the same shall be paid to the petitioner within two months from today."

12. As there is a delay in disbursement of retiral benefits to petitioner No.1 by the respondent-Bank, accordingly, I proceed to pass the following:

ORDER

- i. The writ petition is ***allowed***;
- ii. The impugned endorsement dated 14.08.2025 issued by the respondent-Bank insofar as petitioner No.1 is hereby quashed;



- iii. The respondent-Bank is directed to pay interest at the rate of 6% p.a., from 31.07.2016 to 16.04.2025 on the delayed payment of retiral benefits to petitioner No.1;
- iv. The respondent-Bank is further directed to pay the interest on retiral benefits to petitioner No.1 within two months from the date of receipt of certified copy of this order;
- v. A liberty is reserved in favour of petitioner Nos.2 to 5 to make a representation to the respondent-Bank for disbursement of their retiral benefits with interest;
- vi. Pending IA(s), if any, shall stand disposed of.

Sd/-
(ASHOK S.KINAGI)
JUDGE