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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **W.P.(C) 558/2026**

MS. ISHA

.....Petitioner

Through: Mr. G. D. Verman, Advocate.

versus

STATE BANK OF INDIA AND ANR.

.....Respondents

Through: Mr. Rajiv Kapur, SC, SBI with Mr.
Akshit Kapur and Ms. Riya Sood,
Advocates for SBI.

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

10.07.2026

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1. This writ petition seeks a direction to the Respondent Bank to appoint the Petitioner on compassionate grounds in place of her father, Late Shri Samey Singh, who died in harness while serving the Respondent Bank. The Petitioner also assails the communication dated 7th March, 2025, whereby her request for compassionate appointment has been rejected.

2. Late Shri Samay Singh, the Petitioner's father, was employed as a Head Messenger with the Respondent Bank and died in harness on 9th October, 2014. Nearly ten years thereafter, the Petitioner submitted an application dated 29th April, 2024 seeking appointment on compassionate grounds, followed by representations requesting consideration of her claim. By impugned communication dated 7th March, 2025, the Respondent Bank rejected the said request on the ground that the Petitioner's case did not fall



within the category of “exceptional cases”. The communication, however, informed the Petitioner that she was eligible to seek *ex gratia* compensation under the prevailing policy and enclosed the prescribed application form for processing such claim.

3. Assailing the aforesaid communication, counsel for the Petitioner submits that the impugned decision is bereft of reasons, inasmuch as it does not disclose why the Petitioner’s case was not considered to be an “exceptional case”. Placing reliance upon SBI e-Circular dated 16th March, 2021 containing the Revised Scheme for Compassionate Appointment,¹ he contends that the Petitioner’s claim ought to have been considered thereunder.

4. He further submits that the Respondent Bank has failed to explain why the option of claiming *ex gratia* compensation was extended to the Petitioner only after the lapse of nearly ten years from the death of the employee. It is also contended that no official of the Respondent Bank visited the residence of the deceased employee after his demise to apprise the family of the availability of compassionate appointment or other benefits under the applicable policy.

5. On the other hand, Mr. Rajiv Kapur, counsel appearing for the Respondent Bank, submits that since the Petitioner’s father died on 9th October, 2014, the Petitioner’s claim is governed by SBI e-Circular No. dated 27th December, 2014,² which was in force on the date of the employee’s demise. It is submitted that the deceased employee did not satisfy the eligibility criteria prescribed under the said Scheme. Mr. Kapur

¹ “2021 Scheme”

² “2014 Scheme”



further contends that the Petitioner's application, having been submitted nearly ten years after the death of the employee, defeats the very object of compassionate appointment, which is intended to provide immediate financial aid to the family of a deceased employee facing financial distress. It is, therefore, submitted that the Respondent Bank rightly rejected the Petitioner's request for compassionate appointment while extending to her the option of seeking *ex gratia* compensation in accordance with the applicable policy.

6. The Court has considered the rival submissions advanced on behalf of the parties. The legal position governing compassionate appointment is well settled. Compassionate appointment is not a vested right. It is a narrowly tailored exception to the normal rule of public employment under Articles 14 and 16 of the Constitution of India.³ The object of such appointment is limited and specific, namely, to provide immediate succour to the family of a deceased employee so as to enable them to tide over a sudden financial crisis occasioned by the death or incapacitation of the sole breadwinner while in service.⁴ The Supreme Court has consistently held that compassionate appointment cannot be granted in the absence of a governing scheme, rule, or instruction issued by the Government or the concerned public authority operating at the relevant time.⁵

7. In the aforesaid backdrop, the Petitioner's claim is required to be examined with reference to the scheme governing compassionate appointment which was in force on the date of the demise of Late Shri Samay Singh. The Respondent Bank has placed reliance on the 2014

³ SBI v. Anju Jain, (2008) 8 SCC 475.

⁴ Sushma Gosain v. Union of India, (1989) 4 SCC 468.



Scheme. A copy thereof has been handed over across the board and is taken on record. The relevant provisions relating to its applicability are extracted below:

*“All branches and offices of
State Bank of India
Madam/ Dear Sir*

***(I) SBI SCHEME FOR COMPASSIONATE APPOINTMENT IN
EXCEPTIONAL CIRCUMSTANCES***

***(II) SBI SCHEME FOR PAYMENT OF EX-GRATIA LUMP SUM
AMOUNT IN LIEU OF COMPASSIONATE APPOINTMENT***

Please refer to our circular letter No. CDO/P&HRD-PM/28/2005-06 dated 04th August, 2005 and e-circular Nos. CDO/P&HRD-PM/20/2011-12, CDO/P&HRD-PM/06/2012-13 and CDO/P&HR-PM/75/2013-14 dated 13th May, 2011, 17th April, 2012 and 25th February, 2014 respectively.

2. Following receipt of recent communication from Ministry of Finance, GOI, vide letter F.No. 18/2/2013-IR dated 5th December, 2014 that all Public Sector Banks can have both the options i.e. compassionate appointment or payment of lumpsum ex-gratia amount, the Executive Committee of the Central Board of the Bank in its meeting held on 23rd December, 2014 has approved continuation of following two schemes duly modified as under:

A. Scheme for Compassionate Appointment in exceptional circumstances (As per Annexure-I and 'B-1', 'B-2').

B. Scheme for payment of ex-gratia lumpsum amount in lieu of Compassionate Appointment with following modifications:

.....xxx.....xxx.....xxx.....

C. The dependants of deceased employees falling under Scheme (A) i.e. where death is treated as in "Exceptional Circumstances" will have the option to chose either compassionate appointment or ex-gratia lump sum amount as per the eligibility under the scheme.

However, in all other cases of death as also in case of premature retirement due to incapacitation before reaching the age of 55 years, only ex-gratia lumpsum amount will be paid as per the eligibility and no compassionate appointment will be considered.

3. All other instructions relating to the scheme for Payment of Ex-gratia lumpsum amount shall remain unchanged.

4. Both the modified schemes will be effective from 05.08.2014 and all cases of death/premature retirement on medical ground

⁵ Haryana SEB v. Krishna Devi, (2002) 10 SCC 246.



occurred before 05.08.2014 will be dealt with as per the respective old schemes.”

8. The Petitioner, however, places reliance upon the 2021 Revised Scheme for Compassionate Appointment. Since the applicability of the scheme itself is in issue, the relevant provisions of the said Scheme are also extracted below:

*“All branches and offices of
State Bank of India*

Madam/ Dear Sir

REVISED SCHEME FOR COMPASSIONATE APPOINTMENT

Please refer to our e-Circular Nos. CDO/ P&HRD-PM/ 20/ 2011-12 dated 13th May, 2011 & CDO/ P&HRD-PM/ 65/ 2014-15 dated 27th December 2014.

2. We advise that the Central Board in its meeting held on 24th February, 2021 has approved the “Revised Scheme for Compassionate Appointment”. The scheme will be applicable to a dependent family member of confirmed regular permanent employee of State Bank of India, who;

***(i) dies while in service (including death by suicide) or
(ii) is retired on medical grounds due to incapacitation before reaching the age of 55 years.***

(incapacitation is to be certified by a duly appointed Medical Board in a Government Medical College/Government District Head Quarters Hospitals/Panel of Doctors nominated by the Bank for the purpose).

3. Recently, the Bank has revised the Ex-gratia scheme effective from 01st April, 2020 vide our e-Circular No. CDO/P&HRD-PM/33/2020 - 21 dated 04th September, 2020. The dependents of the deceased employee can exercise option to choose between "Revised Scheme for Compassionate Appointment" or "Scheme for payment of Ex-gratia in lieu of Compassionate Appointment" at their choice subject to fulfilling the prescribed eligibility criteria.

4. The “Revised Scheme for Compassionate Appointment” will be effective from the date of this Circular. However, the scheme will



also cover the death due to COVID-19 with retrospective effect from 24.03.2020 (i.e. the date of announcement of first nationwide lockdown) and the benefit of retrospective implementation will be extended only to the dependents of employees who expired due to COVID-19. During this period, the dependent family members of some of the deceased employees who died due to COVID-19 on or after 24.03.2020 have received Ex-gratia under “Scheme for payment of Ex-gratia in lieu of Compassionate Appointment”. In such cases, the dependent family member, if opts for the “Revised” Scheme for Compassionate Appointment”, will have to refund the entire amount so received under “Scheme for payment of Ex-gratia in lieu of Compassionate Appointment”, subject to his / her application for appointment is approved under the “Revised Scheme for Compassionate Appointment”.

5. In case an application for compassionate appointment is rejected under the “Revised Scheme for Compassionate Appointment”, the same may be considered under the “Scheme for payment of Ex-gratia in lieu of Compassionate Appointment”.

6. Application for employment under the scheme in respect of eligible cases of death shall be obtained by the branch/office where the deceased employee had last worked. The concerned branch/office shall immediately contact the family of the deceased employee and provide them prescribed applications and complete all necessary formalities in this regard. We enclose, the “Revised Scheme for Compassionate Appointment” as per Annexure-I for your information and necessary action.

Please bring the contents of the circular to the knowledge of all concerned.

Yours faithfully

(Rana Ashutosh Kumar Singh)
Dy. Managing Director (HR) &
Corporate Development Officer”

9. A plain reading of the 2021 Scheme leaves no doubt that the Revised Scheme operates prospectively from the date of its issuance. The only exception carved out is in respect of employees who died due to COVID-19, in whose case the benefit of the Scheme has been extended retrospectively with effect from 24th March, 2020. Save and except this limited class of cases, the Circular contains no indication that the Scheme was intended to



operate retrospectively or to extend its benefit to claims arising from deaths preceding its commencement.

10. In the present case, the Petitioner's father died in harness on 9th October, 2014. His demise, therefore, falls outside the limited category of cases to which retrospective benefit under the 2021 Scheme has been extended. Consequently, the Petitioner's reliance upon the 2021 Scheme is misconceived. The claim cannot, therefore, be tested on the touchstone of the Revised Scheme of 2021, which was introduced nearly six years after the death of the employee and has not been given retrospective operation in cases such as the present.

11. On the other hand, the 2014 Scheme expressly stipulates that the modified schemes would come into force with effect from 5th August, 2014 and would govern all cases of death occurring on or after the said date. Since Late Shri Samay Singh died on 9th October, 2014, the Petitioner's entitlement, if any, necessarily falls to be determined under the 2014 Scheme alone.

12. Having held that the Petitioner's claim is governed by the 2014 Scheme, it becomes necessary to examine the eligibility conditions prescribed therein. The relevant provisions of the Scheme are extracted below:

**"SCHEME OF COMPASSIONATE APPOINTMENT ON
COMPASSIONATE GROUNDS IN EXCEPTIONAL CASES IN
STATE BANK OF INDIA"**

2. BACKGROUND :

On the direction of Government of India, Bank introduced "Scheme for Payment of Ex-gratia lumpsum amount" w.e.f. 04.08.2005 in lieu of compassionate appointment. Subsequently, the Indian Banks' Association came out with another scheme for providing



compassionate appointment in following exceptional cases and our Bank also adopted the same w.e.f. 04.08.2005 as a parallel scheme for payment of Ex-gratia lumpsum amount.

- a) Where an employee died while performing official duty, as a result of violence, terrorism, robbery or dacoity; or*
- b) Where an employee died within five years of first appointment or before reaching the age of 30 years, whichever was latter, leaving a dependent spouse and/or minor children.*

5. COVERAGE

5.1. *To a dependent family member of permanent employee of the Bank who*

- i) dies while performing official duty, as a result of violence, terrorism, robbery or dacoity.; or*
- ii) dies within five years of first appointment or before reaching the age of 30 years, whichever is latter, leaving a dependent spouse and /or minor children.*

5.2 *For the purpose of the Scheme, “employee” would mean and include only a confirmed regular permanent employee who was serving full time or part-time on scale wages, at the time of death under the exceptional circumstances and does not include any one engaged on contract/temporary/casual or any person who is paid on commission basis.*

11. TIME LIMIT FOR CONSIDERING APPLICATIONS

11.1 *Application for employment under the Scheme from eligible dependant will be considered upto five years from the date of death.*

11.2 *Request for compassionate appointment under exceptional circumstances may be considered even when the death of the employee took place long back. While considering such belated requests, it should be kept in view that the concept of compassionate appointment under exceptional circumstances is largely related to the need for immediate assistance to the family of the employee in order to relieve it from economic distress. The very fact that the family has been able to manage somehow all these years should normally be taken as adequate proof that the family had some dependable means of subsistence. Therefore, examination of such cases would call for a great deal of circumspection. **However, five years shall be the outside limit in all cases and no proposals for compassionate appointment of a dependent will be considered after five years from the date of death.***

13. A plain reading of Clauses 5 and 11 of the Scheme makes it abundantly clear that compassionate appointment is not available in every case where an employee dies in harness. The Scheme consciously restricts



its applicability to narrowly defined “exceptional circumstances”, namely, where the employee dies while performing official duty as a result of violence, terrorism, robbery or dacoity, or where the employee dies within five years of his first appointment or before attaining the age of thirty years, whichever is later, leaving behind a dependent spouse and/or minor children. Equally significant is Clause 11, which prescribes that an application for compassionate appointment must ordinarily be considered within five years from the date of death and expressly stipulates that five years shall be the outer limit beyond which no proposal for compassionate appointment shall be entertained.

14. Tested against the aforesaid parameters, the Petitioner’s claim clearly falls outside the ambit of the Scheme. It is neither pleaded nor demonstrated that Late Shri Samay Singh died while performing official duty as a result of violence, terrorism, robbery or dacoity. On the contrary, the petition itself states that he succumbed to a heart attack while in service. Further, as pleaded by the Petitioner, Late Shri Samay Singh joined the services of the Respondent-Bank in September, 1985 and died on 9th October, 2014, nearly twenty-nine years after his appointment. Consequently, it is not, and indeed cannot be, the Petitioner’s case that he died within five years of his first appointment or before attaining the age of thirty years, whichever was later. The Petitioner’s case, therefore, does not satisfy either of the eligibility conditions prescribed under Clause 5 of the 2014 Scheme and is, thus, outside the scope of compassionate appointment contemplated thereunder.

15. Furthermore, the application seeking compassionate appointment was submitted on 29th April, 2024, nearly ten years after the death of the employee. This was well beyond the outer limit of five years prescribed



under Clause 11 of the Scheme. Such an inordinate delay is fundamentally inconsistent with the very rationale underlying compassionate appointment, namely, the provision of immediate financial assistance to enable the family to tide over the sudden crisis occasioned by the death of the breadwinner.

16. In these circumstances, the Respondent Bank was justified in declining the Petitioner's request for compassionate appointment and in advising her to avail the alternative benefit of *ex gratia* compensation under the applicable policy.

17. The Petitioner's further contention that the Respondent Bank offered the option of claiming *ex gratia* compensation only after nearly ten years from the death of the employee is also of no assistance. The record indicates that there was correspondence between the parties regarding grant of *ex gratia* compensation even prior to the impugned communication dated 7th March, 2025. Equally, the submission that no official of the Respondent Bank visited the residence of the deceased employee to apprise the family of the benefits available under the applicable policy cannot advance the Petitioner's case. Even assuming either of these contentions to be correct, the same cannot confer upon the Petitioner a right to compassionate appointment contrary to the express eligibility conditions contained in the 2014 Scheme.

18. In view of the foregoing discussion, this Court finds no infirmity in the impugned communication dated 07th March, 2025, rejecting the Petitioner's request for compassionate appointment.

19. However, since the Respondent Bank has itself extended to the Petitioner the option of seeking *ex gratia* compensation, this Court deems it appropriate to clarify that the dismissal of the present writ petition shall not



preclude the Petitioner from availing the said benefit. Accordingly, in the event the Petitioner submits the requisite application for grant of *ex gratia* compensation within a period of eight weeks from today, the Respondent Bank shall consider and decide the same in accordance with the applicable policy and communicate its decision to the Petitioner within a further period of eight weeks thereafter.

20. With the above directions, the petition is disposed of, along with pending application(s), if any.

SANJEEV NARULA, J

JULY 10, 2026/hc