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W.P.No.8042 of 2019

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 27.11.2025

CORAM:

THE HONOURABLE MR.JUSTICE T.VINOD KUMAR

W.P.No.8042 of 2019

P.Madhavan

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Petitioner

Vs

- 1.The Secretary to Government,
The Ministry of Finance,
Government of India,
New Delhi.
- 2.The Director,
Government of India,,
Ministry of Finance,
Department of Financial Services,
Room No.14, 3rd Floor,
Jeevan Deep Building,
No.10, Parliament Street,
New Delhi – 110 001.
- 3.The Chief General Manager,
State Bank of India,
“Circle Top House”
5th Floor, No.16,
College Lane,
Nungambakkam,
Chennai – 600 006.
- 4.The Assistant General Manager,
HR Department,
State Bank of India,
Local Head Office,



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“Circle Top House”
5th Floor, No.16,
College Lane,
Nungambakkam,
Chennai – 600 006.

5.The Regional Manager,
Region – V,
State Bank of India,
Administrative Unit (Salem),
Hosur,
Krishnagiri (DT).

6.The Chief Manager,
State Bank of India,
Dharmapuri Branch,
Dharmapuri.

7.The Branch Manager,
State Bank of India,
Dharmapuri Branch,
Dharmapuri.

...

Respondents

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India, praying for issuance of a writ of certiorarified mandamus to call for the records of the fourth respondent herein, bearing HR: LAW: No.3966, dated 08.01.2019 and quash the same and consequently direct the respondents to appoint the petitioner in the post of Assistant or any other suitable post commensurate with the qualification of the petitioner on compassionate grounds consequent on the demise of his (late) father C.Perumal w.e.f., 08.01.2019 by granting all the benefits.



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For Petitioner : Mr.Balan Haridass,
for Mr.A.Iliya Perumal.

For Respondents 1 & 2 : Mr.K.Ramanamoorthy,
SPC.

For Respondents 3 to 7 : Mr.C.Mohan,
for Ms.A.Rexy Josephine Mary,
for M/s.King and Partridge.

ORDER

Heard the learned counsel for the petitioner and the learned Standing Counsel, appearing on behalf of the respondents.

2. The case of the petitioner in brief is that his father, while working as Clerk with sixth respondent Bank, died on 11.07.2018; that he had approached the respondent and submitted application, dated 29.12.2018, seeking compassionate appointment; that the aforesaid application was rejected by the respondent vide proceedings, dated 08.01.2019, on the ground that “SBI scheme for appointment on compassionate grounds in exceptional cases” introduced with effect from 04.08.2005 is applicable only in two cases viz., (i) employee dies while performing his official duty, as a result of violence, terrorism, robbery or dacoity; and (ii) employee dies within five years of his



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first appointment or before reaching the age of 30 years, whichever is later, leaving a dependent spouse and/or minor children; that none of above two contingencies are applicable to consider his request; and that he is only entitled to lump sum ex gratia.

3. It is the further case of the petitioner that the Director, Ministry of Finance, Government of India, by his letter, dated 07.08.2014, forwarded a proposal for revising the compassionate appointment scheme in public sector banks, as proposed by the Indian Banks' Association, according Government approval for implementation of the aforesaid scheme; that a copy of the letter and the scheme, as approved by the Government was also forwarded to the Chairman, State Bank of India, and all CMDs of public sector banks; and that in spite of the aforesaid scheme being approved by the Government of India, the respondent Bank did not take steps to implement the said scheme, providing for compassionate appointment, and continued with its 2005 scheme only, which action of the respondent Bank, it is contended, as illegal and arbitrary.

4. The respondent bank, by its counter affidavit, primarily contended that the scheme, which was in force on the date of death of petitioner's father, was the scheme of the year 2005 and, as per the said scheme, since the



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petitioner is not eligible for being provided with compassionate appointment, but is entitled only to be paid ex-gratia lump sum amount.

5. By the counter affidavit, it is further contended that since, the petitioner does not fall within the eligibility criteria for being provided with compassionate appointment in terms of the scheme, as was in force, the respondent offered to pay ex-gratia lump sum amount, and the petitioner did not accept, and, instead, approached this Court by the present Writ Petition.

6. Vociferously contending as above, learned counsel for the respondents No.3 to 7, placed reliance on the decisions of the Hon'ble Apex Court in the case of *Indian Bank v. Promila*, 2020 (2) SCC 729; *State Bank of India v. Raj Kumar*, 2010 (11) SCC 661; and *Bank of Baroda v. Baljit Singh*, 2023 (13) SCC 343.

7. I have taken note of the submissions of the parties.

8. Though the petitioner contended that the respondents are bound to implement the compassionate appointment scheme as approved by the Ministry of Finance, Government of India, it is to be noted that the aforesaid scheme, which was mooted by Indian Banks' Association, has no legal sanctity



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and is only recommendatory in nature. Since the proposal, as forwarded by Indian Banks' Association and approved by Government, is not a statutory scheme and not being a regulatory measure as issued by Reserve Bank of India, it is for the bank concerned to adopt the same or frame their own scheme.

9. Since the State Bank of India had its own scheme, which was framed in the year 2005, providing for compassionate appointment, and wherever such compassionate appointment could not be given as not satisfying the criteria laid down therein, the family of the deceased employee being eligible for ex-gratia lump sum amount, it cannot be said that there was no scheme, on the date of death of petitioner's father. Since, on the date of death of petitioner's father i.e., on 11.07.2018, the scheme in vogue having provided for compassionate appointment only on two grounds and admittedly the petitioner did not meet the aforesaid criteria specified therein, the petitioner would be eligible for payment of ex-gratia lump sum amount in terms of the said scheme.

10. The Hon'ble Supreme Court, in the case of *Indian Bank v. Promila*, cited supra, having held that the scheme would be one which is in force and applicable on the date when the incident had occurred, and the petitioner's



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father, who was employed by the respondent Bank, having deceased on 11.07.2018, the subsequent scheme introduced by the respondent bank in the year 2021 cannot be made applicable for the petitioner to claim as being eligible for compassionate appointment.

11. Further, the Hon'ble Supreme Court, in the case of *State Bank of India v. Raj Kumar*, cited above, dealing with compassionate appointments, had held as under :

“13. Further, where the earlier scheme is abolished and the new scheme which replaces it specifically provides that all pending applications will be considered only in terms of the new scheme, then the new scheme alone will apply. As compassionate appointment is a concession and not a right, the employer may wind up the scheme or modify the scheme at any time depending upon its policies, financial capacity and availability of posts.”

The principle, laid down by the Apex Court in the aforesaid decision, has been consistently followed by the Supreme Court in its decision reported in *Canara Bank v. M.Mahesh Kumar*, 2015 (7) SCC 412, and also other decisions rendered by it.



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12. Since, as per the scheme in force on the date of death of petitioner's father, the petitioner not being eligible for being provided with compassionate appointment, in the considered view of this Court, the petitioner would only be eligible to receive monetary compensation, which is offered as ex-gratia lump sum payment.

13. As the petitioner did not accept ex-gratia lump sum payment offered by the respondent Bank and has approached this Court by the present Writ Petition and, since, the Writ Petition was pending on the file of this Court since 2019, and having regard to the peculiar facts of the present case, as noted herein above, and also taking note of the fact that the deceased-petitioner's father was an employee of the respondent Bank, this Court is of the view that in order to meet the ends of justice, the respondent Bank should be directed to pay, in addition to the ex-gratia lump sum amount as per the scheme, interest on the aforesaid payment, @7.5% per annum.

14. Learned counsel for respondents 3 to 7 submits that in order to make the ex-gratia lump sum payment, the petitioner is required to approach the respondents and submit application, seeking payment of ex-gratia lump sum payment.



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15. Since this Court is now directing the respondents to make ex-gratia lump sum payment along with interest as stated above, the petitioner is directed to approach the sixth respondent within a period of two weeks from the date of receipt of copy of this order and submit an application, expressing his willingness to receive ex-gratia lump sum amount. On the petitioner submitting the application, the sixth respondent is directed to forward the said application to the authority concerned at Chennai, namely, third respondent, who shall, thereafter, process the said application and make ex-gratia lump sum payment along with interest as directed by this Court within a further period of four weeks therefrom.

16. As it is brought to the notice of this Court that ex-gratia lump sum payment has to be apportioned among the legal heirs of the deceased employee of the respondent Bank, the petitioner, in the application to be submitted to sixth respondent, should indicate the details of family members/legal heirs, enclosing a copy of legal heir certificate. Upon the petitioner submitting the application as above noted, the respondent shall apportion the total amount payable among all the four members of the deceased employee equally.



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17. Further, it is made clear that this decision will not be used as a precedent, having regard to the peculiar facts of the case as noted herein above.

18. With the above observations and directions, the Writ Petition is disposed of. No costs. Consequently, the connected W.M.P.No.8641 of 2019 is closed.

27.11.2025

NCC : Yes / No
Index : Yes / No
Internet : Yes / No

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To:

- 1.The Secretary to Government,
The Ministry of Finance,
Government of India,
New Delhi.
- 2.The Director,
Government of India,,
Ministry of Finance,
Department of Financial Services,
Room No.14, 3rd Floor,
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T.VINOD KUMAR, J.

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