HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH
****
CWP-21254-2021 (O&M)
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Charlie ... Petitioner

VS.

Punjab National Bank & Ors. ... Respondents

1.	**Judgment reserved on**	**16.01.2026**
2.	**Judgment pronounced on**	**06.03.2026**
3.	**Judgment uploaded on**	**07.03.2026**
4.	**Whether operative or full judgment**	**Full**
5.	**Delay in pronouncement of full judgment and reasons, if any**	**NA**

CORAM: HON'BLE MR.JUSTICE SANDEEP MOUDGIL
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Present: Mr. Shabad Ahmad, Advocate and
Mr. Pankaj Garg, Advocate for the petitioner

Ms. Preeti Grover, Advocate for
Mr. Saurav Verma, Advocate for the respondents
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Sandeep Moudgil, J.

(1). The jurisdiction of this Court has been invoked under Article 226 of the Constitution of India, *inter alia*, for issuing a writ of mandamus directing the respondents to consider the case of the petitioner and appoint him on compassionate ground on account of death of his father Ashok Kumar on 07.08.2018, in terms of Human Resources Management Division Circular No.495/2020 dated 26.03.2020 (Annexure P4) issued by the Bank itself.

(2). The father of the petitioner, namely, Shri Ashok Kumar was appointed as Peon in the respondent-Bank on 22.05.1985. He was later on promoted as Head Cashier, however, on his request on account of having suffered from cancer and paralyses attack, he was demoted to Single Window Operator. He unfortunately passed away on 07.08.2018 while in service leaving behind his wife and three sons who were dependent on his salary and live under one roof as a joint family. The petitioner applied for retiral benefits/DECRG but the same has been rejected vide impugned order dated 14.01.2021 (Annexure P3) on the ground that the proposal for his compassionate appointment has not been acceded to by the competent authority as per the relevant policy guidelines.

(3). Learned counsel for the petitioner submits that during the life of petitioner's father, he had availed housing loan of Rs.820000/- and OD limit of Rs.10,00,000/- and EMI on account of the aforesaid loan/advance were regularly debited from his salary but due to untimely and sudden demise of his father, the family pension of the deceased has been fixed at Rs.20,000/- per month whereas the EMI against the above said loan has been fixed at Rs.22,000/- and as such, family members are facing acute financial crunch and they have not been receiving even a single penny on account of family pension.

(4). On the other hand, learned counsel for the respondent-Bank has filed written statement dated 09.08.2022 wherein it is averred that as per the guidelines issued by the Govt. of India and details from Indian Bank Association, a Scheme for compassionate appointment to a dependent family member of a deceased employee/retired employee on medical grounds due to incapacitation before reaching the age of 55 years, was considered and approved by the Board in its meeting dated 19.09.2014 covering all cases where such death had occurred on or after 05.08.2014 by replacing the existing ex gratia scheme.

(5). Learned counsel for the respondent then submits that a Committee of Senior Officers had considered the case of the petitioner for compassionate appointment, wherein it was found that the deceased employee had left behind his wife and 3 sons whereas the petitioner is married having two children and the family is in receipt of terminal dues amounting to Rs.14,58,437/- and regular family pension of Rs.35,829/- besides that Rs.2,00,000/- rebate in housing loan, being the maximum amount, was also given to the family of the petitioner. He submits that the family income of the deceased employee from all sources (i.e. 43,400/-) is more than 60% of the last drawn salary (net of Rs.55,504) of the deceased employee and as such, the bank had rightly rejected the claim of the petitioner for compassionate appointment.

(6). Heard learned counsel for the parties.

(7). The petitioner's father died while in service on 07.08.2018 after having served the respondents for 33 years of unblemished service. The petitioner submitted an application form on 07.12.2018 (Annexure P2) seeking appointment on compassionate grounds as a dependent family member. The claim, therefore, falls to be considered under the compassionate appointment scheme as it stood on the date of death of the employee.

(8). The scheme relied upon in the present case, as reflected *inter alia* in Circular No.495/2020, contemplates compassionate appointment to dependent family members of an employee who dies while in service, and separately to those of an employee who is retired on medical grounds due to incapacitation before reaching the age of 55 years which is clearly attached to the limb dealing with medical retirement and not to the limb covering death in harness.

(9). In the facts at hand, the petitioner's father having died while in service, the mere circumstance that he was above 55 years of age at the time of death does not, by itself, exclude the petitioner from the coverage of the scheme. As a wholly dependent son, he would *prima facie* fall within the category of "dependent family member" subject to the fulfillment of the other conditions prescribed by the Scheme.

(10). At the same time, compassionate appointment is not automatic upon death in service and is conditioned on the family being indigent and in financial distress. The scheme requires that compassionate appointment be granted only where the monthly income of the family from all sources is less than 60% of the last drawn monthly salary (net of taxes) of the deceased employee, and that the family genuinely deserves immediate assistance to tide over financial destitution. The petitioner has pleaded that the family pension has been fixed at around Rs.20,000 per month whereas the EMIs towards the housing loan and overdraft facility availed by the deceased aggregate to approximately Rs.22,000 per month, leaving virtually no disposable income, and that the widow and three sons, all living jointly, were entirely dependent on the deceased's earnings. These are material factors that bear directly upon the assessment of indigency and required a careful consideration by the Committee of so-called Senior Officers of the respondent-Bank.

(11). The impugned order dated 14.01.2021 records that the proposal for compassionate appointment has not been acceded to by the competent authority "as per the relevant policy guidelines", without disclosing which particular scheme was applied or how the family's financial condition was evaluated. For an order refusing compassionate appointment to withstand judicial scrutiny, it must, at the very least, demonstrate that the correct scheme applicable as on 07.08.2018 was invoked and that there has been a reasoned, evidence-based assessment of the family's income, liabilities, assets, number of dependents and overall financial condition. A cryptic rejection that merely recites adherence to "policy guidelines" without reflecting any application of mind to the specific financial facts placed by the petitioner falls short of this standard and is liable to be viewed as non-speaking and arbitrary, particularly when the very object of the scheme is to alleviate sudden financial hardship.

(12). Moreover, it is trite that a dependent's claim is to be examined under the policy in force on the date of death, and a later circular cannot be used either to confer a right or to defeat an otherwise existing right unless specifically given retrospective operation. Refusal of compassionate appointment must be supported by reasons that are intelligible and demonstrate due application of mind to the criteria in the scheme and mere bald statements that the case is "not covered under the policy" or that "guidelines do not permit" are insufficient moreso where serious civil consequences ensue for the family of a deceased employee.

(13). In the above backdrop, it is concluded that the petition was *prima facie* eligible to be considered under the Scheme and that the rejection of his application, does not reflect a proper, reasoned consideration in accordance with the applicable scheme. The action of the respondents in declining compassionate appointment, on the basis of a non-speaking order and without demonstrable adherence to the correct policy and parameters, thus does not commend itself to be sustained in law.

(14). In view of the above, this writ petition is allowed and the order dated 14.01.2021 (Annexure P3) is set aside with a direction to the respondents to re-consider the case of the petitioner as per the application form (Annexure P2) in terms of the applicable policy and grant him compassionate appointment to a suitable post commensurate with the Scheme and his qualification, with all consequential service benefits and seniority etc. within a period of one month from today. In view of the hardship caused to the family, this Court deems it appropriate to order grant of interest @ 6% p.a. from the date it became due till its actual realization on all consequential service benefits.

(15). Ordered accordingly.

06.03.2026
V.Vishal

(Sandeep Moudgil)
Judge

*1. Whether speaking/reasoned? : **Yes/No***
2. Whether reportable? : Yes/No