



ALL INDIA BANK RETIREES' FEDERATION (REGD.)

Flat No 101, Block C Shivom Residency, M. G. Road Indore- 452001

E mail id sharbatjain555@gmail.com Mobile: 8966019488

Together for A Better Tomorrow"



Ref No. 2026/0222

Date: 21.09.2026

The Office Bearers/ Central Committee members/ State Committee Chiefs
AIBRF

Dear Sir,

Re: Renewal of IBA Health Insurance Policy for retirees for 2026-2027

Re: Proposal of SBI General for renewal of Super top policy for 2026-2027

Re: Terms and Conditions

Indian Banks' Association (IBA) has issued Circular No. **HR & IR/MRR/MEDINS/2026-27/3564** dated **19.09.2026**, communicating the terms and conditions for renewal of the IBA-sponsored Group Health Insurance Scheme for employees and retirees for the year 2026–27.

2.The circular provides for renewal of both the **Base Policy** and **Super Top-up Policy**. The principal features, as presently available, are given below for information and necessary action by our affiliates.

1. IBA Health Insurance Policy – 2026–27

(a) Insurance Company

The contract for 2026–27 has again been awarded to **National Insurance Company Ltd.**, which will continue as the insurance service provider under the IBA-sponsored scheme.

(b) Sum Insured

The sum insured under the Base Policy will remain at the levels applicable during the previous year. The broad limits are as follows:

Category	Sum Insured
Award Staff	₹3 lakh / ₹4 lakh
Officers – Scale I to V	₹5.25 lakh
Officers – Scale VI to VIII	₹7 lakh

(c) Premium for Retirees

The premium rates communicated by IBA are as follows:

Sum Insured	Employee Premium	Retiree Premium	Discount for Retirees
₹3 lakh	—	₹27,996	—
₹4 lakh	₹36,200	₹32,144	₹4,056
₹5.25 lakh	₹46,467	₹41,714	₹4,753
₹7 lakh	₹68,454	₹62,213	₹6,241

The above figures are based on the IBA circular. Affiliates and members may please verify the final amount payable at the time of enrolment, particularly in respect of applicable taxes and other statutory charges.

2. GST Position

The IBA circular does not specifically clarify the position regarding GST on the above premium rates.

As members are aware, the issue of levy of GST on health insurance premium paid by bank retirees is presently under consideration before the **Kerala High Court**, where retirees have obtained interim protection in the matter.

AIBRF continues to pursue this issue. We shall consult our advocate handling the case and take appropriate further action in accordance with the developments in the matter. Members will be advised separately regarding the position on GST as and when necessary.

3. A Positive Development in Base Policy Premium

It is a matter of satisfaction that the premium payable by retirees under the Base Policy continues to remain at a **discounted level compared with the corresponding employee premium**.

The stabilization of premium rates during the last two years is also significant. This has been possible following the introduction of the **combined policy covering serving employees and retirees**, under which the basic pricing structure is aligned.

AIBRF has consistently pursued this issue at the appropriate forums, including the Central Labour Commissioner-level discussions, and has maintained that retired employees should not be treated as a separate and inherently disadvantageous insurance category.

The present position represents an important outcome of sustained organisational efforts.

4. Coverage of Retirees Who Did Not Join the Scheme Earlier

Although the latest IBA circular does not specifically spell out this aspect, it is understood that the IBA-sponsored policy will continue to be available to eligible retirees who could not avail themselves of the scheme in earlier years.

Affiliates may, therefore, bring this facility to the notice of such retirees and advise them to examine the scheme and the applicable terms before exercising their option.

5. Participation in the IBA Scheme

Last year, approximately **1,53,691 retirees** availed themselves of the IBA-sponsored health insurance scheme. The scheme has now completed **ten years of its existence**.

The substantial participation of retirees demonstrates the importance of the scheme as a major institutional health-security mechanism for retired bank employees and their families.

AIBRF has consistently maintained that health insurance for retirees should be viewed not merely as a commercial insurance arrangement but as an important component of **post-retirement social security**.

6. Super Top-up Policy – Proposal from SBI General Insurance

AIBRF has separately examined the premium structure of the Super Top-up Policy offered under the IBA arrangement.

The premium rates under the IBA-sponsored Super Top-up Policy for retirees continue to appear comparatively high. In view of this, **AIBRF had, during the previous year, endorsed the Super Top-up Policy offered by SBI General Insurance** as an alternative option for consideration by retirees.

We are happy to mention that this year also SBI General has agreed to give proposal of super top policy for bank retirees at the competitive rates. The proposal received from **SBI General Insurance through KMD** for 2026–27 is enclosed for information.

Based on the proposal presently received, the premium under the SBI General Super Top-up Policy is understood to be **substantially lower than the corresponding rates quoted under the IBA arrangement**, in the range of approximately **50–60% lower**, subject to the applicable sum insured, deductible and other terms and conditions.

The terms and conditions of the SBI General proposal are also broadly aligned with the relevant conditions of the IBA Base Policy.

7. AIBRF to Examine SBI General Proposal

The proposal of SBI General will be placed before the **AIBRF Office Bearers Committee** for detailed examination.

After such examination, AIBRF will issue a **separate detailed circular** explaining the procedure for enrolment and other operational aspects.

8. Role of Affiliates

All our affiliated organisations are requested to:

1. **circulate the IBA circular and the present communication widely** among their members;
2. explain the principal terms and premium structure of the IBA Base Policy;
3. advise members to carefully examine their individual health-insurance requirements before exercising their option;
4. bring the scheme to the notice of retirees who may not have availed themselves of the facility earlier;
5. extend full cooperation in completing the enrolment/renewal process within the prescribed time once the bank-wise circulars and application procedures are issued.

Banks are expected to issue their respective circulars shortly inviting applications/options from eligible retirees.

9. AIBRF's Continuing Efforts

AIBRF has consistently taken the position that **adequate and affordable health insurance is an essential element of social security for bank retirees**.

The journey of the IBA-sponsored health insurance scheme over the last ten years has demonstrated the importance of sustained intervention by the retirees' organisation. The movement from separate and increasingly expensive retiree pricing towards a **combined employee-retiree policy and comparatively moderated premium structure** is an important development.

At the same time, AIBRF remains conscious that substantial challenges continue, particularly in respect of the rapidly rising cost of health care, increasing insurance premiums, Super Top-up pricing and the GST issue.

AIBRF will continue to pursue these matters with IBA, the concerned banks and the appropriate authorities with the objective of securing **affordable, comprehensive and sustainable health insurance protection for bank retirees and their families.**

All affiliates are requested to extend their full cooperation and ensure that the maximum possible number of eligible retirees are able to avail themselves of the available health insurance facilities.

With regards,

Yours Sincerely

A handwritten signature in black ink, appearing to read 'malas', is written over a horizontal line.

(S. C. JAIN)
GENERAL SECRETARY