



ALL INDIA BANK RETIREES' FEDERATION (REGD.)

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6th Conference Slogan- Pension Updation is Right of Bank Retirees

Ref No. 2025/0069

Date: 08.09.2025

The Chief Executive,
Indian Banks' Association (IBA)
MUMBAI,

Respected Sir,

Re: Cut in GST on health insurance announced by FM
Re: Availability of the benefit on IBA policy

We convey our sincere thanks to IBA authorities for taking up the issue for reduction in GST rates on health insurance with GOI/GST Council from time to time. Combined efforts of all interested parties have now resulted in the form of reduction in GST rates to zero slab on health insurance as announced by the Honorable Finance Minister in GST Council meeting held on 3.09.2025.

2. However, we find that due to terminology of "Individual health insurance" to be eligible for zero tax rate has created some amount of confusion and uncertainty has cropped up whether zero tax benefit will be available on IBA policy for retirees.

3. We understand that GST council is in the process of finalizing rules and Standard Operating Procedure (SOP) for various modifications in GST including zero GST on health insurance announced on 3.09.2025 and to be effective from 22.09.2025.

4. We shall feel obliged if you will kindly examine the above aspect to ensure that zero GST benefit is available to retirees on IBA policy. We also request you to examine all other aspects in this regard like suitable clarification while announcing SOP, treating IBA policy as individual policy as premium cost is borne by individuals, treating it as family floater in specific terms etc. and take up the issue with GST Council on priority basis.

5. IBA this initiative will be highly appreciated by lakhs of retirees as 18 per cent cut in GST rate is big financial relief for them and its non-availability to them, for which they deserve most will spread huge disappointment among them.

With Respectful Regard,

Yours Sincerely,

A handwritten signature in cursive script, appearing to read 'mahas', written over a horizontal line.

(S. C. JAIN)
GENERAL SECRETARY