



# ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION



(A.I.B.P.A.R.C.)

C/O BANK OF INDIA OFFICERS' ASSOCIATION

(EASTERN INDIA BRANCHES)

BANK OF INDIA, KOLKATA MAIN BRANCH

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Date 17.06.2019

(For circulation among members of the governing council of AIBPARC,  
State Secretaries, Special Invitees and Advisors.)

Dear Comrade,

**Sub : Prayer for waiver of GST-component from the Premium of  
Group Mediclaim for Bank Retirees and Pensioners**

We have today sent a representation to the Office of GST Council Secretariat, New Delhi, on above subject. The text of the letter is reproduced hereunder for information of members.

With best wishes,

( SUPRITA SARKAR )  
GENERAL SECRETARY

QUOTE :

AIBPARC/GST/GROUP MEDICLAIM/EMAIL/2019

17.06.2019

To,  
The Principal Officer,  
Office of the GST Council Secretariat,  
5<sup>th</sup> Floor, Tower II,  
Jeevan Bharti Building,  
Janpath Road,  
New Delhi 110001.

Respected Sir,

**Sub : Prayer for waiver of GST-component from the Premium of  
Group Mediclaim for Bank Retirees and Pensioners**

With reference to the above subject, we like to bring to your kind notice certain information and facts which will definitely testify that the retirees of the Banking Industry are getting a discriminatory treatment which they do not deserve :

- In pursuance of the directives of Financial Services, Govt. of India on 24.02.2012, IBA was expected to evolve a medical insurance scheme for both serving and retired employees. In IBA's scheme, the premium for serving employees was borne by the Bank but the premium of retirees was shifted on their individual shoulder although Govt. did not make any specific mention about it. Initially, the medical insurance premium was quite reasonable and subsidized by many banks but at the time of successive renewals, the premium was first doubled and then almost redoubled. Now, it is almost unaffordable by an individual retiree drawing a scanty amount of pension which stands frozen for years after years without updation/improvement as is available with Govt. employees and RBI employees. The position beggars description for subordinate employees and family pensioners.
- When the scheme was initially floated by IBA with a reasonable premium, most of the retirees discontinued the existing personal mediclaim covers which they had for themselves and their spouses with different insurance companies. Now when the premium has been sky-high, the door for them to go back to the insurance companies again stands closed since the elder citizens after certain age limit are ineligible to enter into any new mediclaim policy.
- In view of the pathetic situation faced by every retiree of the Banking industry, salt is added to the injury by imposition of GST at the rate of 18% on the amount of premium. The burden on individual retiree has further gone up because of the additional burden of GST.

All the serving and retiree organisations of the Banking industry have taken up the issue of reduction of excessive burden of premium with Govt. of India and IBA and negotiations are going on to offer relief in respect of payment of such a huge sum by an individual retiree. The discussion is inconclusive and we do not know what will be the exact outcome. Till then, we have an earnest appeal before you to consider with sympathy and favour the withdrawal of the GST levied/imposed on the premium of group mediclaim for bank pensioners and retirees. We shall remain grateful if our prayer is acceded to.

With kind regards,

( SUPRITA SARKAR )  
GENERAL SECRETARY