

To: All Branches and Offices

**Sub: GST amount for Group Medical Insurance Policy for Retired Employees/Family Pensioners (01.11.2025 - 31.10.2026)**

We draw your attention to the staff circular 101104-2025 dated 28.10.2025 where National Insurance Company Ltd. (NICL) has communicated that, all member banks are required to remit the premium strictly in accordance with the interim orders of the Hon'ble High Court of Kerala. Hence, the premium amount was deducted without GST and remitted to Insurance company for successfully register retired employees/family pensioners, subject to the final judgment to be passed by the Hon'ble High Court of Kerala.

As per the recent communication from NICL, it is informed that the Hon'ble High Court of Kerala has dismissed the Writ Petitions, ruling that GST exemption applies only to individual health insurance policies and does not extend to group health insurance policies.

Insurance company has requested to remit the applicable GST amount of 18% on applicable Premium Rates on Retirees' Policies immediately.

Hence retired employee/family pensioners who have successfully opted for IBA Group Medical Insurance policy 2025-26 are hereby requested to maintain sufficient balance in your mandated account to enable debit of the applicable GST amount.

Please note the following important points:

1. Non-availability of sufficient balance or any failure in debit, for reasons outlined in Staff Circulars referred above, will lead to short payment of the premium and may impact insurance coverage for the policy year 2025-26.
2. The Bank will not be responsible for non-availability of benefits under the Medical Insurance Policy due to failure of debit.
3. All other terms and conditions in earlier Staff Circulars remain unchanged.

You are, therefore, advised to ensure that adequate balance is maintained in your mandated account on or before 13.01.2026, without fail.

All concerned are requested to take careful note of the above.



(S C Teli)  
Chief General Manager

