



Indian Overseas Bank Officers' Association

(Regd. No. 321/MDS) (Recognised by the Management) (Affiliated to All India Bank Officers' Confederation)

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To
The General Manager (HR)
Indian Overseas Bank
Central Office
Chennai

Dear Sir,

Quarters on Lease **Revision of Rental Ceilings, Advance Rent and Reversal of GST**

As per the present bank's lease policy, officers are entitled to fix house on lease for residential purpose at the place of work, with the bank paying monthly rent to the landlord based on the monthly eligibility fixed from time to time.

We kindly refer to Circular No. EST/93/2021-22 dated 25.02.2022, which addressed the enhancement in rental ceiling for leased accommodation. Although this revision provided some relief after an interval of 8 years since the last revision, as indicated in Circular No. EST/84/2014-15 dated 11.10.2014, it has not fully addressed the issue. Despite the relatively recent revision made 28 months ago, we respectfully urge a reassessment of the rental rates. The current gap between actual rental values and the eligible rent necessitates this review, as officers residing in leased accommodations are facing additional financial burdens.

It may be mentioned here that rental value across the country have gone significantly and officers find it very difficult to fix up quarters within the existing rental eligibility and often have to pay substantial amount over and above the limit to get a decent house for dwelling and that too outside city limits. The major reason for increase in rental value is on account of various factors and in post covid scenario, recent wage settlement by IBA, due to more demand from employees of IT sector, revision of pay scales by Central Pay Commission, inflation and increase in investment cost for the owners.

The present rental eligibility for officers in almost all the banks including peer banks is high compared to our bank and the market rent to let out house for bank officers is always determined based on the highest rental eligibility amongst the Public Sector Banks. Moreover, rents have increased sharply not only in Metros and State Capitals but in other centres also which needs to be addressed immediately by going for revision of rental eligibility.



In addition, almost all the peer banks have revised the lease and all banks have not yet in line with the market. We furnish in the Annexure the rental eligibility in leased accommodation at various centres (Metro/ Area 1 / Area 2 / Other locations) (wide area, category wise) of select banks.

In view of the reasons stated above, we request you to consider the following favourable

1. Enhancement in monthly lease rental amount in all scales in line with other banks and current market rates.
2. Upgradation of certain centres for the purpose of rental eligibility.
3. Increase in Rental Advance to 18 months' eligible cost uniformly across all centres.
4. Provision of 2 months eligible rent as brokerage in Metro and Area 1 and 1 month eligible rent as brokerage in other centres and brokerage charges to be paid once in 3 years.
5. In case of retirement, officers may be permitted to avail the lease facility up to 3 months from their date of retirement.
6. In case of transfer, the eligibility of previous place of posting may be extended maximum up to 2 months from the date of relieving.
7. In case of demise of the officer, the family of the officer may be permitted to avail the lease facility up to 3 months from the date of the demise of officer.
8. Local transportation charges to be provided once in 3 years.
9. Provision for Probationary Officers during their first year of joining to receive a refundable security deposit amounting to a maximum of 2% monthly rent eligibility, with monthly lease eligibility aligned with that of confirmed officers.
10. In the event of an officer's suspension, the renewal of the lease may be considered in addition to the existing payment of quarters rent during the suspension period.

Furthermore, GST levied on lease quarters for the period April 2023 to July 2023 may be reversed as it would significantly benefit over 5000 officers in the bank.

We request you to consider the above requests favourably. The current financial strain faced by officers in maintaining a lifestyle commensurate with their professional status underscores the importance of these proposed revisions.

Thanking you,

Yours faithfully,



(V Premkumar)
GENERAL SECRETARY

Annexure 1: comparison of rents in other banks



Grade	IOB					Indian Bank						
	Delhi/N CR	Metro	12 to 45 lacs	5 to 12 lacs	1 - 5lacs	other centres with less than 1 lacs	Delhi/N CR	Metro	12 to 45 lacs	5 to 12 lacs	1 - 5lacs	other centres with less than 1 lacs
JMI	20000	16000	14300	9100	7100	5800	19000	18000	16500	15500	10000	6000
MMII	21000	17000	14700	9800	8000	6200	20000	19000	18000	17000	11000	7000
MMIII	22000	18000	15400	10400	8500	6800	21500	20500	20000	18000	12000	7200
SMIV	24000	20000	16900	11700	9800	7800	26500	24000	23000	22000	15000	10000
TMV	28000	24000	20000	15000	14000	10000	30000	29000	28500	24000	20000	12000
TMVI	33000	28000	24000	20000	19000	12000	36000	34000	33000	30000	25000	15000
PNB												
Union Bank of India												
Grade	Delhi/N CR	Metro	12 to 45 lacs	5 to 12 lacs	1 - 5lacs	other centres with less than 1 lacs	Delhi/N CR	Metro	12 to 45 lacs	5 to 12 lacs	1 - 5lacs	other centres with less than 1 lacs
JMI	30000	22500	17000	11000	8500		30000	28000	22500	17000	12000	8500
MMII	32000	23500	18000	12000	10000	0	32000	30000	23500	18000	13000	9500
MMIII	33500	26000	20500	13000	11500	0	33500	32000	26000	20500	14000	10500
SMIV	37000	29500	23500	15000	15000	0	37000	34000	29500	23500	20500	13500
TMV	45000	33000	26000	18000	18000	0	45000	45000	33000	26000	23500	16000
TMVI	74000	45500	34000	22000	22000	0	74000	74000	45500	34000	34000	22000