



UCOBANK RETIREES' ASSOCIATION KARNATAKA (Regd)

(Regd as S.No: 699/97-98 Dated 20/01/1998 with the Registrar of Societies, Karnataka)

Regd Office: C/o UCOBank, 3rd Floor, 13/22, Kempegowda Road, Bangalore-560009



UBRA-KAR/CIR/50/2014-2017

16/06/2016

To All Members of our Unit.

Dear Comrades,

Sub: Effect of 100% DA Neutralisation for Pre 2002 Pensioners

We have already reported that the IBA has recommended the neutralisation of DA for pre-2002 Pensioners and also improvement of Family pension from 15% to a uniform 30% thereby removing the Slab system of payment of DA etc. for pensioners and also improving the Family Pension basic to 30% on the highest slab uniformly. The surviving spouse will get 30% of the Basic Pension of the deceased pensioner plus DA thereon. This is becoming a reality very shortly thanks to CBPRO.

In view of the development, many of our Comrade Pensioners who have retired prior to 31-10-2002 are not aware of effect of 100% neutralisation of D.A and how much they are losing per month due to non neutralisation of D.A. There are queries from these Pensioners regarding effect of 100% neutralisation of D.A. on their monthly pension as majority pensioners do not know / understand the implications of 100% D.A. neutralisation.

We wish to clarify that all pensioners in bank are not drawing uniform D.A. as in the case of Govt. employees. Pensioners retired prior to 31-10-2002 are getting tapered percentage of D.A. because D.A. is not neutralised to 100%.

D.A. Rates for Pensioners retired after 01-04-1998 up to 31-10-2002 (1115 Slabs over 1684 points)			
Up to 3550	3551-5650	5651-6010	Above 6010
267.60%	223%	133.80%	66.90%

One may notice that D.A.% gets tapered after Rs.3551/- whereas under D.A neutralisation there is no tapering and pensioner is eligible for 267.60% DA on full basic pay. Suppose pensioner's Basic Pension is Rs 6200/- he should get 267.60% for the full amount under 100% DA neutralisation which would be Rs 16591.20, whereas now pensioner gets only Rs 14791.59, which means pensioner is losing Rs 1799.61 per month. Monthly loss of pension increases with increase in basic i.e. more the basic pension loss is more. For example a General Manager retired in March 2001, who is having basic pension Rs. 10680 is losing Rs.10797.70 per month due to non neutralization of D.A.

Following table gives exact figure of monthly loss corresponding to the basic (before commutation) of the pensioners retired after **01-04-1998 up to 31-10-2002**. In the following Excel table attached to this Circular, the Basic starts from 3550 and is stepped up by 10 up to 12000. One can view the Basic Pension, present D.A, and D.A after 100% neutralisation, approximate monthly loss due to non-neutralization. We do not have calculation of pensioners retired prior to 1998. Please wait for the notification.

For more precise calculation of loss due to non neutralization of D.A. an on-line calculator is provided. Please visit <http://bankpensioner.blogspot.in/2016/05/loss-due-to-non-neutralization-of-da.html>

Pensioners retired after 01-04-1998 up to 31-10-2002 can enter their exact basic pension (before commutation) in the calculator and get exact difference. Please note that the calculation is from 1998 onwards and only an indicator. The exact DA will be worked out after the IBA notifies the implementation and each bank issues a circular.

Yours faithfully,

Ravindra Krishna
Honorary Secretary



A Unit of All India UCOBank Pensioners' Federation, Kolkata
Affiliated to All India Banks' Pensioners' and Retirees' Confederation



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