

MINISTRY OF DEFENCE**DEMAND NO.20****Defence Pensions**

A. The Budget allocations, net of recoveries, are given below:

(In crores of Rupees)

Major Head	Budget 2003-2004			Revised 2003-2004			Budget 2004-2005		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
Revenue	...	11000.00	11000.00	...	11000.00	11000.00	...	11250.00	11250.00
Capital
Total	...	11000.00	11000.00	...	11000.00	11000.00	...	11250.00	11250.00
1. Pensions and Other									
Retirement benefits									
Army	2071	9988.65	9988.65	...	9988.65	9988.65	...	10305.33	10305.33
Navy	2071	331.37	331.37	...	331.37	331.37	...	272.37	272.37
Air Force	2071	674.93	674.93	...	674.93	674.93	...	666.25	666.25
2. Rewards- Army,Navy & AirForce	2071	5.05	5.05	...	5.05	5.05	...	6.05	6.05
Grand Total	...	11000.00	11000.00	...	11000.00	11000.00	...	11250.00	11250.00

Defence Pensions provides for pensionary charges in respect of retired Defence personnel (including civilian employees) of the three Services viz. Army, Navy and Air Force and also employees of Ordnance Factories etc. It covers payment of service pension, gratuity, family pension, disability pension, commuted value of pension, leave encashment and casualty

awards such as War-Injury Pay and Gallantry awards like Param Vir Chakra, Mahavir Chakra etc.

The requirement of allocation in BE 2004-05, shows an additional requirement of Rs.250 crore over RE 2003-04, mainly on account of normal annual growth in number of pensioners during 2004-05.