

**MINISTRY OF DEFENCE****DEMAND NO.22****Defence Pensions**

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

*(In crores of Rupees)*

Major Head	Budget 2004-2005			Revised 2004-2005			Budget 2005-2006		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
Revenue	...	11250.00	11250.00	...	11922.00	11922.00	...	12452.00	12452.00
Capital	...	...	...	...	...	...	...	...	...
<b>Total</b>	...	<b>11250.00</b>	<b>11250.00</b>	...	<b>11922.00</b>	<b>11922.00</b>	...	<b>12452.00</b>	<b>12452.00</b>
1. Pensions and Other Retirement benefits									
Army 2071	...	10305.33	10305.33	...	10930.65	10930.65	...	11409.40	11409.40
Navy 2071	...	272.37	272.37	...	303.14	303.14	...	324.02	324.02
Air Force 2071	...	666.25	666.25	...	681.16	681.16	...	712.53	712.53
2. Rewards- Army,Navy & Air Force 2071	...	6.05	6.05	...	7.05	7.05	...	6.05	6.05
<b>Grand Total</b>	...	<b>11250.00</b>	<b>11250.00</b>	...	<b>11922.00</b>	<b>11922.00</b>	...	<b>12452.00</b>	<b>12452.00</b>

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 2005-06 shows an additional requirement of Rs.530 crore over RE 2004-05, mainly on account of normal annual growth in number of pensioners during 2005-06.