

MINISTRY OF DEFENCE**DEMAND NO.21****Defence Pensions**

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

(In crores of Rupees)

Major Head	Budget 2005-2006			Revised 2005-2006			Budget 2006-2007			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	...	12452.00	12452.00	...	12715.00	12715.00	...	13224.00	13224.00	
Capital	
Total	...	12452.00	12452.00	...	12715.00	12715.00	...	13224.00	13224.00	
1. Pensions and Other										
Retirement benefits										
Army	2071	...	11409.40	11409.40	...	11575.31	11575.31	...	12017.67	12017.67
Navy	2071	...	324.02	324.02	...	315.30	315.30	...	338.85	338.85
Air Force	2071	...	712.53	712.53	...	817.84	817.84	...	861.43	861.43
2. Rewards- Army,Navy & Air Force	2071	...	6.05	6.05	...	6.55	6.55	...	6.05	6.05
Grand Total	12452.00	12452.00	...	12715.00	12715.00	...	13224.00	13224.00

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 allocation in BE 2006-07 shows an additional provision of Rs.509 crore over RE 2005-06, mainly on account of growth in number of pensioners.