

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

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

Major Head	Actual 2009-2010			Budget 2010-2011			Revised 2010-2011			<i>(In crores of Rupees)</i> Budget 2011-2012			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	...	34999.45	34999.45	...	25000.00	25000.00	...	34000.00	34000.00	...	34000.00	34000.00	
Capital	...	...	...	...	...	...	...	...	...	...	...	...
Total	...	34999.45	34999.45	...	25000.00	25000.00	...	34000.00	34000.00	...	34000.00	34000.00	
Pensions and other Retirement benefits													
1. <i>Pensions and other Retirement benefits</i>													
1.01 Army	2071	...	31500.64	31500.64	...	22901.25	22901.25	...	30760.55	30760.55	...	30723.73	30723.73
1.02 Navy	2071	...	1198.42	1198.42	...	941.96	941.96	...	1040.32	1040.32	...	1057.14	1057.14
1.03 Air Force	2071	...	2294.33	2294.33	...	1150.74	1150.74	...	2188.08	2188.08	...	2206.00	2206.00
<i>Total- Pensions and other Retirement benefits</i>	34993.39	34993.39	...	24993.95	24993.95	...	33988.95	33988.95	...	33986.87	33986.87
2. Rewards - Army, Navy & Air Force	2071	...	6.06	6.06	...	6.05	6.05	...	11.05	11.05	...	13.13	13.13
Grand Total	34999.45	34999.45	...	25000.00	25000.00	...	34000.00	34000.00	...	34000.00	34000.00

1. **Pensions and Other Retirement Benefits:** Defence Pensions provides for pensionary charges in respect of retired Defence personnel (including civilian employees) of three Services viz. Army, Navy and Air Force and also employees of Ordnance Factories, etc. It covers payment of service pensions, gratuity, family pension, disability pension, commuted value of pension and leave encashment. The increase is mainly due to implementation of Government orders on improvement in pension of pre-1.1.2006 Personnel Below Officer Rank (PBOR) pensioners and impact of higher rate of Dearness Relief.

2. **Rewards- Army, Navy, Air Force:** The amount is provided for casualty awards such as war-injury Pay and Gallantry awards like Param Vir Chakra, Mahavir Chakra etc. in respect of three services i.e. Army, Navy, Air Force.