



DISABLED WAR VETERANS (INDIA) REGD.
THE ONLY ORGANISATION OF WAR DISABLED / BATTLE CASUALTIES
RECOGNISED BY GOVT. OF INDIA, MINISTRY OF DEFENCE

डिसेबल्ड वार वेटेरन्स(इण्डिया) रजि.

भारत में युद्ध एवं लड़ाई के अपंग/विकल सैनिकों के भारत सरकार,
रक्षा मंत्रालय द्वारा मान्यता प्राप्त एकमात्र संस्था

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Lt Gen Y N Sharma, PVSM, AVSM, VSM (Retd)
Former GOC-In-C Central Command
100% Disabled Veterans Indo-Pak 1971 War

Col Sudhir Kumar Garg (Retd)
President

DIWAVE/29/IT Exemption/04

03 Feb 2026

Mrs Nirmala Sitharaman
Finance Minister
Govt of India, Ministry of Finance
134 North Block
New Delhi -110001

**FINANCE BILL 2026 - CLARIFICATORY AMENDMENT REGARDING INCOME-TAX
EXEMPTION ON WAR INJURY PENSION**

Hon'ble Minister,

Greetings from Disabled War Veterans (India) Regd !!

1. You will appreciate that war-disabled soldiers of the Armed Forces, who have been invalided out or retired on account of disabilities sustained due to wounds or injuries received in action, have historically been granted exemption from income tax on their War Injury Pension.
2. This exemption flows from **Paragraph 28 of Finance Department Notification No. 878-F dated 21 March 1922**, which continues to remain in force by virtue of Section 297(2)(l) of the Income-tax Act, 1961. The said provision clearly distinguishes pensions granted for injuries received in action from other categories of disability pensions.
3. Over the years, CBDT instructions have clarified exemption for disability pensions under **Paragraph 29** of the said notification. However, **Paragraph 28**-specifically applicable to war injuries has not been explicitly reflected in recent circulars or in the proposed **Schedule III of the Income-tax Act, 2026**, resulting in denial of long-standing tax relief to superannuated recipients of War Injury Pension.



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4. This omission has caused considerable distress among war disabled superannuated veterans, many of whom have made irreversible sacrifices in the service of the nation. An explicit inclusion of War Injury Pension (both service element and war disability element) under Schedule III would restore legislative intent and long-standing practice

5. Having had the privilege of interacting with you earlier on matters concerning the welfare of war-disabled soldiers, we are confident that this genuine and limited anomaly will receive your sympathetic consideration.

With Warm Regards

Yours sincerely,

(SK Garg)
Col (Retd)
President

Disabled War Veterans (India) Regd.