

CHAPTER 5

MONETARY ALLOWANCES FOR GALLANTRY AWARDS

GENERAL

05001. Since 1947 UK MOD has perpetuated the IA practice of paying monetary allowances to British Gurkha holders of gallantry awards in recognition of its obligations under the TPA. Only awards for gallantry that were in existence at the time of Independence in 1947 apply. With the exception of the Distinguished Conduct Medal new gallantry awards created by the British or Indian Governments since 1947 are not included.

TYPES OF AWARDS

05002. Awards for which a monetary payment is made are:

- a. Victoria Cross. Awarded for acts of gallantry performed in the face of the enemy.
- b. George Cross. Awarded for acts of gallantry performed not in the face of the enemy.
- c. Indian Order of Merit (IOM). This award was normally restricted to Hon GCOs, and GCOs, but was granted to soldiers in exceptional cases.
- d. Military Cross (MC). This award may be granted to officers and soldiers in recognition of services of a lower standard than that required for the IOM.
- e. Distinguished Conduct Medal. This award was granted to soldiers only and is equivalent to the old award of the Indian Distinguished Service Medal (IDSM).
- f. Military Medal (MM). This award was granted to soldiers only.
- g. Jangi Inam (JI). This is an Indian award for gallantry during war service and is the only monetary award which may be drawn concurrently with another award. Only soldiers currently in pension can receive this award. (War Office 48/Gen/8586(F3M) dated 18 Mar 54; see Annex A supported by Annex B).

RATES

05003. Current and previous rates are as shown in Annex C and apply to relevant decorations awarded for acts of gallantry performed on or after 15 Feb 44. A holder of more than one gallantry award may only receive a monetary allowance for one award plus allowances for any bars to that award. In addition, the monetary allowance for a Jangi Inam may be paid as detailed above.

05004. Rates of allowances will be reviewed whenever the Indian Government issue revised rates for pre-Independence gallantry awards. The rates for VC/GC are set by the UK Government and will be updated whenever authorised.

SECOND LIFE AWARD

05005. On the death of a pensioner in receipt of a monetary allowance for a gallantry award there is a second life award entitlement at the full rate of the allowance for the widow only. On the subsequent death of the widow the monetary allowance is to cease.

POSTHUMOUS AWARDS

05006. The following may receive the monetary allowance where a gallantry award is made posthumously whilst they qualify for a family pension:

- a. Widow.
- b. Parents of a bachelor.
- c. Children of a widower.

REVIEW APR 00

05007. The payment of monetary allowances for gallantry awards was reviewed in Apr 00 to incorporate the changes made by the IA that had not been actioned for BG. Principle changes effective from 1 Mar 94 are:

- a. Pre and post 1 Jan 56 differential payments were ended with one rate for each award.
- b. The rates paid to officers and soldiers were harmonised.
- c. The rates for bars were set at the same level as for the original award.

(D/AG Sec/527/4/1(240/00) dated 25 Apr 00)

VC/GC

05008. Following the increases in rates payable to the holders of the VC and GC promulgated by D/SPP (Pers) in Nov 95 all recipients of the VC annuity were offered the choice in 1996 of continued payment or converting the annuity into a lump sum. If the lump sum option was taken the second life entitlement of a widow was void. (SPP(Pens)1/8/3 & 2/5/12 dated 24 Mar 00).

05009. The Chancellor in the budget speech of 7 Jul 15 announced an increase in payments to VC and GC holders to a total of £10000. The VC/GC Association was to administer a top-up payment funded by a LIBOR grant to increase the MOD annuities paid by DBS up to the new limit. This action is dealt with centrally by DBS and is not a function of the GPS and rates are no longer published in this chapter. When the LIBOR grant runs out the MOD will continue to pay the full rate of £10000, which is indexed by UK CPI annually from the 2015 value.

05010. Reserved.

COPY

48/Gen/8586(F3M)

Your Ref: CRME/30099/S/AC3(b)

Memorandum for:

The War Office
LONDON SW1

General Headquarters
Far East Land Forces

18 Mar 54

GURKHA MONETARY AWARDS - JANGI INAMS, ETC

Your memorandum of 19 December 1953.

1. From paragraph 2 it is now clear that so far as Jangi Inams are concerned there are 7 awards in payment from Army Funds, which strictly should have continued to be the liability of the India Government. The earlier correspondence to which you refer, however, dealt with other awards (eg your 3522 of 8 December 1948, spoke of 2 other ranks awarded the Military Medal) and it is assumed therefore that there may be involved cases in which other monetary awards are in payment. It is appreciated, however, once payment in respect of **any** monetary award had been accepted as a charge against Army Funds, because the Gurkhas had entered British Service, that tore-transfer payment to the Indian Government would not be possible without considerable difficulty, though it is not abundantly clear that there would be any loss of prestige as suggested in your letter of 22 January 1953. In all circumstances, however, it is agreed in respect of all those Gurkhas who are at present serving and in receipt of monetary awards, that the charges for such awards should remain finally against Army **Vote** both during and after service and irrespective of whether pension or gratuity becomes payable at the conclusion of service.

2. There is, however, a possible complication as regards payments for awards of Jangi Inams. These are payable in respect of war service and those awarded following the 1914-1918 war were payable not only to the actual recipient, but his nominated heir, 1939-1945 war awards are payable generally only to the recipient. It follows seemingly that a case might in future arise of a Gurkha enlisting for service with HMG who might be in receipt of, or become eligible to receive, an award of the Jangi Inam as the nominated heir of his father. In such cases, unless the award to the father had been in issue from Army Funds, because the father served HMG payments should not be taken over from the Indian Government.

(sgd.....)

ANNEX B TO
CHAPTER 5

COPY

General Headquarters
Far East Land Forces
c/o GPO Singapore

Tel: 2801 Ext 189

CRME/30099/S/AC3(b)

7 Apr 54

HQ Brigade of Gurkhas

Subject: **GURKHA MONETARY AWARDS**

1. It has now been agreed by the War Office that all **INDIAN** monetary awards paid from Army Funds to entitled **GURKHAS** who are now serving, may continue as a charge against Army Funds both during and after service, irrespective of whether a pension or a gratuity becomes payable at the conclusion of service. It has also been agreed that those Jangi Inams now paid from Army Funds to serving **GURKHAS** may continue to be paid in the same way as monetary responsibility of the **INDIAN** Government.
2. A case may arise in the future of a **GURKHA** enlisting for service in HM Gurkhas who is the nominated recipient of a Jangi Inam awarded to his father for service during the 1914-1918 war. In such a case the payment will not be taken over from the **INDIAN** Government, unless the award has been paid from **BRITISH** Army Funds because the father has subsequently served in HM Gurkhas.

(sgd.....)
Major General
Chief of Staff
Far East Land Forces

ANNEX C TO
CHAPTER 5

GALLANTRY AWARDS AND JANGI INAM – PREVIOUS AND CURRENT RATES OF MONTHLY MONETARY ALLOWANCES FOR BRITISH GURKHA EX-SERVICEMEN.

Award	Rate wef 17 Aug 95	Rate wef 6 Apr 02	Rate wef 6 Apr 09
VC	£108.34	£124.50	£155.83
GC and each Bar	£108.34	£124.50	£155.83

Award	Rates wef 1 Jan 76			Rate wef 1 Mar 94	Rate wef 25 Jan 95	Rate wef 1 Apr 99	Rate wef 1 May 08	Rate wef 30 Mar 11
	Awards Prior to 1 Jan 56		Awards on or after 1 Jan 56					
	Hon GCO, QGO	Soldiers	All Ranks	All Ranks	All Ranks	All Ranks	All Ranks	All Ranks
IOM	65	26	N/A	175	175	350	2000	4000
Each Bar	30	13	N/A	175	175	350	2000	4000
IDSM	N/A	12	N/A	35	35	70	2000	4000
Each Bar	N/A	6	N/A	35	35	70	2000	4000
MC	40	N/A	20	100	100	200	1400	2800
Each Bar	15	N/A	8	100	100	200	1400	2800
MM	N/A	10	20	45	45	90	1400	2800
Each Bar	N/A	4	8	45	45	90	1400	2800
DSO/DCM	55	55	30	200	200	400	2000	4000
Each Bar	27	27	10	200	200	400	2000	4000
Jangi Inam	20	20	20	20	100	100	100	500

Notes:

1. All rates monthly in ICR less VC/GC.
2. VC/GC £1300 per year from 17 Aug 95 (D/SPP (Pens) 1/8/3 dated 8 Nov 95).
3. VC/GC £1870 per year from 6 Apr 09 (DCDS Pers PCV letter of 27 Feb 09).
4. VC/GC £10000 per year from 2015 (Chancellor of the Exchequer 7 Jul 15).

Amdt 21 – Dec 20