



Ministry of Defence

MP 610
Kentigern House
Brown Street
Glasgow
G2 8EX

See Distribution

26 March 2025

GURKHA PENSION SCHEME – 2025 AWARD

1. I am directed to inform you that the existing rates of Gurkha Retirement Pension, Gurkha Service Pension, Gurkha Disability Pension and Gurkha Family Pension have been revised with effect from 1 April 2025. The current rates, which are based on Indian Army pensions and issued in accordance with the Gurkha Pension Manual, but incorporate a welfare related cash uplift to take account of the benefits in kind provided to Indian Army ex-servicemen, have received a 2025 pension increment of 6.05% to take account of cost of living increases in Nepal. In line with existing policy the increase is based on the Nepal Rastra Bank consumer price index for inflation in Nepal. All revised rates supersede those from 1 April 2024.
2. **Gurkha Retirement Pension**. The revised rates of Retirement Pension payable to Gurkha Commissioned Officers, are shown at Annex A.
3. **Gurkha Service Pension**. The revised rates of Gurkha Service Pension payable to King's Gurkha Officers granted honorary rank, King's Gurkha Officers and Gurkha Other Ranks are:
 - a. **King's Gurkha Officers Granted Honorary Rank**. Revised rates for King's Gurkha Officers granted honorary rank are shown at Annex B.
 - b. **King's Gurkha Officers, Honorary King's Gurkha Officers and Gurkha Other Ranks**. Revised rates for King's Gurkha Officers, Honorary King's Gurkha Officers and Gurkha Other Ranks are shown at Annex C.
4. **Gurkha Disability Pension**. The Gurkha Disability Pension is made up of two elements, a service pension element and a disability element. Revised rates of the service pension element are in accordance with those shown in Annexes A, B and C. Revised rates of the disability element are shown at Annex D.
5. **Gurkha Family Pensions**. The revised rates of Gurkha Family Pension for all ranks are shown at Annex E to this letter.
6. **Minimum Rates of Pension**. The minimum rate of pension has been raised to ICR 30,271.33 per month with effect from 1 April 2025.
7. **Pension Credits to Individual Accounts**. The new rates of pension will be applied to the Far East and Nepal Administration System for the pensions run of April 2025. Pension rates will be converted to Nepali rupees for payment at the peg rate of ICR1 : NCR 1.6.