

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE

RAJYA SABHA
UNSTARRED QUESTION No. 252

TO BE ANSWERED ON TUESDAY, DECEMBER 2, 2025/11 AGRAHAYANA, 1947 (SAKA)

CONSTITUTION OF EIGHTH PAY COMMISSION

252 SHRI JAVED ALI KHAN:
SHRI RAMJI LAL SUMAN:

Will the Minister of **Finance** be pleased to state:

- (a) whether Government has issued notification for constitution of Eight Central Pay Commission (CPC) recently, the details thereof along with Terms of References (TOR);
- (b) whether Government would merge the existing DA/DR with basic pay as an immediate relief measure for Central Government employees/pensioners, if so, the details thereof, if not, the reasons therefor; and
- (c) whether revision of pension of Central Government employees is not proposed under eight CPC, the reason therefor?

ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

- (a) Yes, the Government has notified Resolution dated 03.11.2025 for constitution of Eighth Central Pay Commission (CPC) along-with Terms of Reference (ToR). A copy of Resolution is enclosed at Annexure-I.
- (b) No proposal regarding merger of the existing Dearness Allowance with the Basic Pay is under consideration with the Government at present.
- (c) The Eighth CPC will make its recommendations on the various issues viz. Pay, Allowances, Pension, etc. of the Central Government employees.

Resolution No. 01-01/2025-E.III(A) dated 03.11.2025 as referred to in reply to part (a) of the Rajya Sabha Unstarred Question No. 252 for answer on 02.12.2025.

MINISTRY OF FINANCE**(Department of Expenditure)****RESOLUTION**

New Delhi, the 3rd November, 2025

F. No. 01-01/2025-E.III(A).—The Government of India have decided to appoint the Eighth Central Pay Commission comprising of the following:-

- | | | |
|----|-----------------------------|--------------------------------------|
| 1. | Chairperson | - Smt. Justice Ranjana Prakash Desai |
| 2. | Member (<i>Part-Time</i>) | - Prof. Pulak Ghosh |
| 3. | Member-Secretary | - Shri Pankaj Jain |

2. The terms of reference of the Commission will be as follows:-

- a) To examine and recommend changes that are desirable and feasible in the emoluments including pay, allowances, and other facilities/ benefits, in cash or kind, having regard to rationalization, contemporary functional requirements and the specialized needs of various Departments, agencies and services in respect of following categories of employees:
- (i) Central Government employees — industrial and non-industrial;
 - (ii) Personnel belonging to the All India Services;
 - (iii) Personnel belonging to the Defence Forces;
 - (iv) Personnel of the Union Territories;
 - (v) Officers and employees of the Indian Audit and Accounts Department;
 - (vi) Members of the regulatory bodies (excluding the RBI) set up under the Acts of Parliament;
 - (vii) Officers and employees of the Supreme Court;
 - (viii) Officers and employees of the High Courts whose expenditure is borne by the Union Territories; and
 - (ix) Judicial officers of the subordinate courts in the Union Territories.
- [**Note:** In respect of judicial officers, the Commission shall adhere to the principle enunciated by the Supreme Court in its Judgement dated 24th August, 1993 in All India Judges' Association and Others V/s Union of India and Others, viz. that there shall be no link between service conditions of judges and administrative executive and that the service conditions of judges have to meet the special needs of the judiciary].
- (b) To work out an emolument structure conducive to attracting talent to Government service, promoting efficiency, accountability and responsibility in the work culture.
- (c) To examine the existing schemes of bonus with a view to improving performance and productivity and make recommendations on the general principles, financial parameters, productivity and performance-linked parameters for an appropriate incentive Scheme to reward excellence in productivity and performance.
- (d) To review the existing allowances and conditions of their admissibility and recommend their rationalization keeping in view the multiplicity of allowances.
- (e)
- (i) To review the Death-cum-Retirement Gratuity of employees borne on the National Pension System (including Unified Pension Scheme) and make recommendations thereon.
 - (ii) To review the Death-cum-Retirement Gratuity and pensions of employees not borne on the National Pension System (including Unified Pension Scheme) and make recommendations thereon keeping in view Para f(iii) below.
- (f) To make recommendations on the above, keeping in view:
- (i) The economic conditions in the country and the need for fiscal prudence;
 - (ii) The need to ensure that adequate resources are available for developmental expenditure and welfare measures;

3. The Commission will devise its own procedure and may appoint such Advisors, Institutional Consultants and Experts, as it may consider necessary for any particular purpose. It may call for such information and take such evidence, as it may consider necessary. Ministries and Departments of Government of India shall furnish such information and documents and other assistance as may be required by the Commission. The Government of India trusts that State Governments, Service Associations and others concerned will extend to the Commission their fullest cooperation and assistance.

5. The Commission will make its recommendations within 18 months of the date of its constitution. It may consider, if necessary, sending interim reports on any of the matters as and when the recommendations are finalized.

ORDER

ORDERED also that a copy of the Resolution be communicated to the Ministries/Departments of the Government of India, State Governments/ Administrations of Union Territories and all others concerned.

V. VUALNAM, Secy.