



## UNIVERSITY GRANTS COMMISSION

### Finance Circular Letter No. 05/2025

30<sup>th</sup> September 2025

Vice-Chancellors of Universities  
Rectors of Campuses  
Directors of Institutes

### **Revision of Salaries for the staff of University Grants Commission and academic & non-academic staff in the Higher Educational Institutions - 2025**

Your attention is invited to the Commission Circular No. 02/2025 (i) dated April 04, 2025, issued on revision of salaries for the staff of University Grants Commission and academic & non-academic staff in the Higher Educational Institutions 2025 and Finance Circular Letter No.04/2024 dated 2<sup>nd</sup> April 2024, issued on Application of Cost-of-Living Allowance and Academic Allowance of the Academic Staff for the computation of contribution to the Universities Provident Fund (UPF) and Universities Pension Fund.

Having considered the salary revision of the employees of the Universities/Higher Educational Institutes, the Commission at its 1154<sup>th</sup> meeting decided to implement the methodology given in (a) and (b) on contribution to the Pension Fund and computation of Monthly Pension for the period from 1<sup>st</sup> January 2024 to 31<sup>st</sup> March 2025 as follows;

- a) The Pension Fund Contribution (8%) credited to UPF as per the provisions of Finance Circular No.04/2024 dated 2<sup>nd</sup> April 2024 during 1/1/2024 to 31/3/2025 should be revert to the Universities Pension Fund with accumulated interest credited to the Universities Provident Fund (UPF).
- b) Accordingly, the Monthly Pension of the academic staff who has retired during 01/01/2024 to 31/03/2025 should be computed including 25% Academic Allowance increased by the Commission Circular No.09/2024.

As per the provisions of Commission Circular No. 02/2025 (i) , contribution to Universities Pension Fund (8%) and contribution to Universities Provident Fund (10% of employees contribution and 7% of university contribution) of employees of the university system are

computed based on paid salary, Cost of Living Allowance (COLA) and Monthly Compensatory Allowance (MCA) or Academic Allowance as applicable with effect from 1<sup>st</sup> April 2025.



**Senior Professor Kapila Seneviratne**  
**Chairman**

- Cc: 1. Secretary/Ministry of Education, Higher Education And Vocational Education  
2. Vice-Chairman/UGC  
3. Secretary/UGC  
4. Registrars of Universities/DR/SAR/AR/ of Institutes/Campuses  
5. Accountant/UGC  
6. Bursars of Universities/DB/SAB/AB/ of Institutes/Campuses  
7. Internal Auditor/UGC  
8. DIA/SAIA/AIA/ of Universities  
9. Auditor General