



**GOVERNMENT OF KERALA**

**Abstract**

Finance Department - Budget Estimates 2025-26 – Fund for Expansion & Development – Authorization of balance unspent amount of Grant under 14<sup>th</sup> Finance Commission Award to Urban Local Governments - Sanctioned - orders issued.

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**FINANCE (SFC Cell - A) DEPARTMENT**

G.O.(Rt) No.564/2026/FIN

Dated, Thiruvananthapuram, 20-01-2026

- Read: (1) G.O. (P) No. 177/2006/Fin Dated 12/04/2006  
(2) G.O. (P) No. 119/2015/Fin Dated 21/03/2015  
(3) G.O.(Rt)No.3217/2025/Fin dated 27/03/2025  
(4) GO(Rt)No.7034/2025/Fin dated 30/08/2025  
(5) GO(Rt)No.7771/2025/Fin dated 24/09/2025  
(6) U.O.(f)No. LSGD-FM3/305/2023-LSGD

**ORDER**

The Ministry of Housing & Urban Affairs (MoH&UA) has requested to furnish the status of unspent balance (amount) of 14<sup>th</sup> Finance Commission funds/grants left with the State of Kerala to the Ministry so as to consider the recommendation of 15th FC funds for FY.2024-25 to the state.

2) As per Government order read as 2<sup>nd</sup> paper above, the allotment not drawn on 31<sup>st</sup> March shall be provided through Additional authorization/SDG based on the consolidated figures furnished by the Director of Treasuries and the same should be allotted to the Local Governments.

3 ) An amount of ₹997,26,15,446/- has been authorized to Urban Local Governments as unspent amount under 14<sup>th</sup> Finance Commission Grant, from which, an amount of ₹719,16,60,906/- was remitted to Kerala Water Authority for remitting the outstanding dues of public taps vide, Government order read as 3<sup>rd</sup> paper above. Out of the balance amount of ₹278.10 Cr, an amount of ₹156,68,59,740/- has also been remitted to Kerala Water Authority for the same purpose vide, Government order read as 5<sup>th</sup> paper above. Likewise, as per Govt order read as 4<sup>th</sup> paper above, an amount of ₹529,90,73,009/- has been authorized to RLBs. The whole amount was

transfer credited to KWA as outstanding dues of public taps and arrears of other connections of LSGD to be remitted to Kerala Water Authority by the Rural Local Governments up to 30/06/2025.

4) Government in LSGD vide, file read as 6<sup>th</sup> paper above, have informed that out of Rs.997.26 Cr. ordered vide, Govt orders read as 3<sup>rd</sup> and 5<sup>th</sup> papers above, ₹875.85 crore has been adjusted to KWA. Balance amount of ₹121.40 Cr. is not expended. The Fifteenth Finance Commission award amounting to ₹195 Cr in 2024-25 is pending to be released to ULBs by the Govt of India.

5) The MoH&UA informed that the total unspent balance of 14<sup>th</sup> FC Award to ULBs should be less than 10% of the amount under consideration. KWA has demanded a total amount of ₹177.20 Cr in pending payments of State Plan capital works in urban beneficiary areas and overdue O&M expenditure in divisions including urban coverage for the period May 2024 to October 2025. Government have decided to reauthorize the unspent amount of ₹121.40 Cr to ULBs to satisfy the condition of the Ministry of Finance so as to release the pending award amount. It is also decided to adjust the amount to KWA for the arrear of liabilities incurred for strengthening urban water supply infrastructure. The balance payments towards liabilities to KWA shall be met in due course of time.

6) Government have examined the matter in detail and are pleased to issue the following orders:

a. An amount of ₹ 121,40,94,800 /- (Rupees One Hundred and Twenty One crore Forty lakh Ninety-Four thousand Eight Hundred only) is reauthorized to Urban Local Governments as unspent amount under 14<sup>th</sup> FC Grant as detailed below:

Tier of LG	Head of account	Amount in Rs
Municipal Corporation	3604-00-200-90-(01)-35	692538600
Municipality	3604-00-200-90-(02)-35	521556200
Total		1214094800

b. Under Secretary, Finance (Accts) Department is authorized to transfer credit an amount of ₹ 121,40,94,800 /- (Rupees One Hundred and Twenty One crore Forty lakh Ninety-Four thousand Eight Hundred only) to the TSB account of Kerala Water Authority as detailed below:

Tier of LG	Head of account	Amount in Rs
Municipal Corporation	3604-00-200-90-(01)-35	692538600
Municipality	3604-00-200-90-(02)-35	521556200

Treasury Account No	701011400000181
Name of Treasury	District Treasury, Thiruvananthapuram
Account Name	FM & CAO

c. The State have thus fully utilized the unspent balance of 14<sup>th</sup> Finance Commission Grant satisfying the criteria of the 15<sup>th</sup> Finance Commission.

(By Order of the Governor)

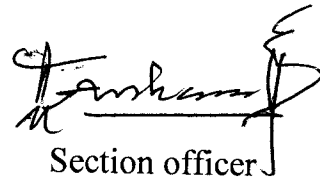
**P GOPA KUMAR**

**ADDITIONAL SECRETARY (Finance)**

To

Principal Accountant General (Audit -I), Kerala, Thiruvananthapuram  
The Accountant General (Audit -II), Kerala, Thiruvananthapuram  
The Principal Secretary, Local Self Government Department  
All Secretaries of Municipalities and Municipal Corporations  
The Director of Treasuries, Thiruvananthapuram  
The Director, State Audit Department, Thiruvananthapuram  
The Principal Director, LSGD, Thiruvananthapuram  
The Managing Director, Kerala Water Authority, Thiruvananthapuram  
The Executive Director, Information Kerala Mission, Thiruvananthapuram.  
The Director of Information & Public Relations, Thiruvananthapuram  
The Local Self Government (FM) Department  
The Nodal Officer, Finance ([www.finance.kerala.gov.in](http://www.finance.kerala.gov.in))  
The Finance (BW-J/ D.Wing/ SS/CSFC-A)  
Department Stock File/Office Copy (E- 2508595)

Forwarded/ By order

  
Section officer