



GOVERNMENT OF KERALA

Abstract

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

FINANCE (SFC Cell - A) DEPARTMENT

GO (Rt) No.7771/2025/Fin. Dated, Thiruvananthapuram, 24th September, 2025

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) 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 14th 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.2025-26 to the state.

2) As per Government order read as 2nd paper above, the allotment not drawn on 31st 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 14th 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 3rd paper above. Likewise, as per Govt order read as 4th 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 5th paper above, have informed that out of Rs.997.26 Cr. ordered vide, Govt order read as 3rd paper above,

₹719.16 crore has been adjusted to KWA. Balance amount of ₹278.10 Cr. is not expended. The Fifteenth Finance Commission award amounting to ₹136.1562 Cr in 2023-24, ₹575.94 Cr in 2024-25, ₹199 Cr as 1st instalment of NMPCs and ₹303 Cr of MPCs in 2025-26 to a total of ₹1214.09 Cr. are pending to be released to ULBs by the Govt of India.

5) The MoH&UA informed that the total unspent balance of 14th FC Award to ULBs should be less than 10% of the amount under consideration, i.e, total unspent amount should not be more than ₹121.41crore. Govt have decided to reauthorize ₹156.68 crore out of the unspent amount of ₹278.10 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 water charge of ULBs.

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

- a) An amount of ₹156,68,59,740/- (Rupees One Hundred and Fifty Six crore Sixty Eight lakh Fifty-Nine thousand Seven Hundred and Forty only) is reauthorized to Urban Local Governments as unspent amount under 14th FC Grant as detailed below:

Tier of LG	Head of account	Amount in Rs
Municipal Corporation	3604-00-200-90-(01)-35	1346569945
Municipality	3604-00-200-90-(02)-35	220289795
Total		1566859740

- b) Under Secretary, Finance (Accts) Department is authorized to transfer credit an amount of ₹156,68,59,740/- (Rupees One Hundred and Fifty Six crore Sixty Eight lakh Fifty-Nine thousand Seven Hundred and Forty 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	1346569945
Municipality	3604-00-200-90-(02)-35	220289795
Treasury Account No	701011400000181	
Name of Treasury	District Treasury, Thiruvananthapuram	
Account Name	FM & CAO	

- c) This order is issued to expedite the release the pending instalments of FFC Grant from Govt of India. By this order the State have fulfilled the condition that the unspent balance of 14th Finance Commission Grant should not exceed 10 percent of the FFC under consideration.

- d) LSGD shall furnish the up-to-date arrear statement of KWA towards water charge till it reaches the amount transfer credited with this order as the amount is above the demanded.

(By Order of the Governor)

K R JYOTHILAL

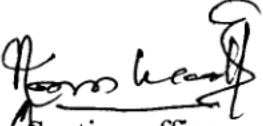
Additional Chief Secretary to Government (Finance)

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 Grama Panchayats
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, Tvpm.
The Director of Information & Public Relations, Thiruvananthapuram
The Local Self Government (FM) Department

The Nodal Officer, Finance (www.finance.kerala.gov.in) The
Finance (BW-J/ D.Wing/ SS/CSFC-A) Department Stock
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Forwarded/ By order


Section officer.