

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
LOK SABHA
UNSTARRED QUESTION NO-1340
ANSWERED ON- 27/07/2026

ALLOCATION OF FUNDS TO KERALA UNDER THE 16th FINANCE COMMISSION

1340. Adv Dean Kuriakose:

Will the Minister of FINANCE be pleased to state:

- (a) the details of the total funds allocated to the State of Kerala as per the devolution of funds under the 16th Finance Commission, year-wise;
- (b) the details of the funds actually released to the State of Kerala against the allocated amount under the above recommendations, year-wise; and
- (c) whether any amount remains pending for release to the State of Kerala under the 16th Finance Commission and if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) and (b): The Union Government vide Explanatory Memorandum as to the Action Taken on the Recommendations made by the Sixteenth Finance Commission (16th FC) in its Report for the award period 2026-27 to 2030-31 has inter-alia accepted the recommendations for States' Share in Central Taxes and grants-in-aid, viz Local bodies grants and Disaster management grants. Accordingly, the recommendations of the 16th FC are being implemented from 1st April, 2026. As per the accepted recommendations of the 16th FC, the B.E. 2026-27 for devolution of shareable taxes and duties to the State of Kerala is ₹ 36,355.39 crore, of which ₹ 8,869.49 crore has been released till 10.07.2026. Releases for the remaining period of the Finance Commission Cycle will be made in the respective Financial Year.

(c): Ministry of Finance, Department of Expenditure releases Central Finance Commission recommended grants-in-aid to States on the recommendations of the Nodal Ministries concerned, subject to fulfilment of stipulated conditions associated with each component of the recommended grants-in-aid. As far as release of FY 2026-27 is concerned, no proposal from the Nodal Ministry(ies), is pending for release of grants-in-aid to the State of Kerala.
