

**GOVERNMENT OF KERALA****Abstract**

LSGD- Utilization of ₹12 crore received as Reform Incentive Funds under AMRUT 2.0 for the year 2023–2024 - Sanction accorded - Orders issued

LOCAL SELF GOVERNMENT (DC) DEPARTMENT

G.O.(Rt)No.548/2026/LSGD Dated,Thiruvananthapuram, 02-03-2026

Read 1 G.O.(Rt) No. 831/2025/LSGD dated 27.03.2025

2 Minutes of 12th State High Powered Steering Committee (SHPSC) for the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) - Decision on the agenda item number 12.11.

3 Letter No. SMMU/AMRUT2.0/276/CB-ISE dated 24.02.2026 of the Mission Director AMRUT

ORDER

Urban Reforms constitute a key component of AMRUT 2.0. The Ministry of Housing & Urban Affairs (MoHUA), Government of India, has issued a comprehensive Toolkit on Urban Reforms under the Mission. The reform agenda aims to improve:

- the financial health of Urban Local Bodies (ULBs),
- water security of cities, and
- ease of living for citizens through improved municipal service delivery.

2. To encourage States and ULBs to implement these reforms, AMRUT 2.0 provides reform-linked incentives for the successful implementation of a defined set of reforms. An amount of ₹5,340 crore has been earmarked by MoHUA as Reform Incentives, constituting 8% of the Central Assistance allocated to AMRUT 2.0 projects as per the Budget Estimates. The Reform Agenda under AMRUT 2.0 includes:

- Two Mandatory Reforms (Property Tax and User Charges),
- Seven Incentive-based Reforms, and
- Outcome-based Reform Incentives.

3. As per the Mission guidelines, States are required to complete the Mandatory Reforms within the first two years from the launch of the Mission to remain eligible for Central Assistance from the third year onwards. Based on the guidelines, the State submitted the Incentive-based Reform with supporting documents during 2023–2024: Implementation of Urban Reforms – Leveraging Technological Advancements

through Building Byelaws. MoHUA scrutinized the submitted documents and accorded approval through mother sanction via SNA SPARSH for an amount of ₹12 crore as Reform Incentive for the year 2023–2024, and as per G.O read as 1st paper above, Government have released the said Reform Incentive amount to the Mission Director, AMRUT. In accordance with the AMRUT 2.0 guidelines, it is proposed that the Reform Incentive amount of ₹12 crore received for the year 2023–2024 may be utilized for the following purposes:

- i. Activities related to AMRUT MITRA, and
- ii. Activities specified in the AMRUT 2.0 guidelines.

4. Based on the recommendation of 15th SLTC of AMRUT, as per the minutes read as 2nd paper above, the 12th SHPSC has decided that the amount of ₹12 crore received as reform incentives for the year 2023–24 be utilized towards:

- i. Activities related to AMRUT MITRA; and
- ii. Activities specified in the AMRUT 2.0 guidelines.

5. As per the letter read as 3rd paper above, the Mission Director, AMRUT has requested to accord sanction based on the above decision of SHPSC.

6. Government have examined the mater and are pleased to accord sanction to utilize ₹12 crore received as reform incentives for the year 2023–24 towards:

- i. Activities related to AMRUT MITRA; and
- ii. Activities specified in the AMRUT 2.0 guidelines.

(By order of the Governor)
G RAMANATH
DEPUTY SECRETARY

To:

The Mission Director, AMRUT
The Principal Director, LSGD
The Principal Accountant General (A&E) Kerala Thiruvananthapuram
The Accountant General (Audit I/ Audit II), Kerala Thiruvananthapuram
The Information Officer, I&PRD (Web & New Media)
The Executive Director, Information Kerala Mission.
Stock File / Office Copy.

Forwarded /By order

Section Officer

Copy to:

Private Secretary to Hon'ble Minster for LSGD
PA to Principal Secretary, LSGD