

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF EXPENDITURE  
**LOK SABHA**

**UNSTARRED QUESTION NO. 2342**

TO BE ANSWERED ON MONDAY, 4<sup>th</sup> AUGUST, 2025  
SRAVANA 13, 1947 (SAKA)

**FUNDS FOR CENTRAL SPONSORED SCHEMES IN WEST BENGAL**

**2342. Smt. Rachna Banerjee**

Will the Minister of **Finance** be pleased to state:

- (a) whether the Government is aware regarding issue of the timely release of funds for centrally sponsored schemes in West Bengal i.e. MGNREGA, Pradhan Mantri Awas Yojana, etc.;
- (b) the steps taken/to be taken by the Government to ensure transparent, timely and uninterrupted disbursement of these funds;
- (c) the financial incentives, tax benefits or special package targeted by the Government to attract large-scale industrial investment to West Bengal; and
- (d) the manner in which it will facilitate a more conducive business environment in the State?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
**(SHRI PANKAJ CHAUDHARY)**

(a) and (b) In the last three years i.e. from financial year (FY) 2022-23 to FY 2024-25, an amount of Rs. 33,543 crore has been released to West Bengal as central share of Centrally Sponsored Schemes (CSS). The release of central share of a CSS to a state is dependent upon compliance of the conditions stipulated in the extant scheme guidelines and utilization of the funds released earlier.

Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS) is a demand - driven wage employment scheme. As per the provisions of the Mahatma Gandhi NREG Act, 2005, it is the responsibility of the State Government to ensure transparency and accountability in the implementation of the scheme. In the case of the State of West Bengal, based on central teams' inspection reports highlighting the implementation issues such as financial misappropriation, execution of non-permissible activities, splitting of works, lack of transparency & accountability, the Ministry of Rural Development sent several communications to the State for rectification of the same. However, no noticeable improvements were observed. Consequently, release of funds to the State of West Bengal has been stopped since March 9, 2022, under Section 27 of the Act due to non-compliance with Central Government directives.

Further, Pradhan Mantri Awaas Yojana-Gramin (PMAY-G) was implemented w.e.f. 1st April 2016 to provide assistance to eligible rural households for construction of Pucca houses with basic amenities to achieve the objective of "Housing for All" in rural areas. The Ministry of Rural Development has allocated total targets of 45,69,423 to the state and state has sanctioned 45,69,032 houses and 34,19,432 houses have been completed as on date. The Ministry of Rural Development has already released ₹25,798 crore as central share since FY 2016-17 till FY 2021-22 to the State of West Bengal for implementation of the PMAY-G. However, post allocation of target to the State from the finalised Awaas Plus 2018 survey lists in November 2022, complaints regarding irregularities in implementation of PMAY-G were received. These complaints were verified through National Level Monitoring (NLM) Teams and Senior Officers' Teams.

No Central share of funds have been released to the State of West Bengal under the PMAY-G, during FY 2022-23 to FY 2025-26 (till date) for targets of FY 2022-23 from the finalized Awaas Plus 2018 survey lists due to non-submission of satisfactory Action Taken Reports (ATR) on the observations of the NLM teams and Senior Officers' Teams of the Ministry of Rural Development.

(c) and (d) Besides the funds released under CSS, the Union Government also provides substantial financial resources for capital expenditure / investment to create more conducive business environment to all states including State Government of West Bengal under the Scheme for Special Assistance to States for Capital Expenditure/Investment. An amount of Rs. 23,073 crore has been released to West Bengal since inception of the scheme in FY 2020-21 to FY 2025-26 (till 28th July, 2025).

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