

CHAPTER XI

MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME (MPLADS)

Background

11.1. The Members of Parliament are often approached by their constituents for taking up small developmental works of capital nature in their constituencies. The normal mechanism of planning is governed by a set of administrative guidelines with regard to cost norms, resource allocation and prioritization of works. Consequently, it is not always possible to take care of some of the felt needs of the people. With a view to bridging this gap and providing a certain degree of flexibility in the planning process for meeting the felt needs of the people, the Members of Parliament Local Area Development (MPLADs) scheme was formulated and announced on 23.12.1993 by the then Prime Minister.

11.2. The Scheme was initially administered by the Ministry of Rural Development. The subject was transferred in October 1994 to the then Department of Programme Implementation, Ministry of Planning and Programme Implementation, which is now a part of the MOSPI.

Objective

11.3. Under the Scheme, a sum of Rs. 2 crore is allocated annually in favour of an M.P., but is released to a nodal District Head. Lok Sabha Members can recommend works to be taken up in their constituencies. The elected Members of Rajya Sabha may select works for implementation anywhere in the State, from which they are elected. Nominated Members of the Lok Sabha and Rajya Sabha may select works for implementation anywhere in the country.

11.4. The salient features of the Scheme are:-

- (a) The works under the Scheme shall be developmental in nature, for creation of durable assets, based on the locally felt needs.
- (b) The funds released under the Scheme are non-lapsable.
- (c) The normal financial and audit procedures as well as the work procedures of the State concerned apply to the Scheme.
- (d) Each work suggested under the scheme should not normally cost more than Rs.25 lakh. Projects costing higher amounts would require approval of the MOSPI.
- (e) Part funding of projects can be made from MPLADS, provided that such sharing of funds leads to completion of the work and is with reference to a clearly identifiable part of the work.
- (f) The District Head selects the implementing agency for the work recommended by the M.P. and accords administrative sanction after examining its eligibility, feasibility and the estimates.

- (g) Implementing agencies may not collect any administrative charges, centage charges, etc., for their services relating to preparatory work, implementation and supervision etc.
- (h) Whenever there is a change in the incumbency of the MP, the works identified by the predecessor MP which are under execution, have to be completed. Besides, eligible works recommended by an MP 45 days before his retirement are implemented, subject to the availability of funds in his account. The remaining unsanctioned works can be taken up, subject to confirmation by the successor MP.
- (i) MPs can contribute MPLADS funds outside their constituency/State for rehabilitation works in the event of natural calamity of rare severity for an amount upto Rs. 10 lakh, for each calamity. In suitable cases, this ceiling limit can be relaxed.
- (j) Public utility works of registered Societies/Trusts, fulfilling certain conditions laid down in the Guidelines, are also permissible.
- (k) The Guidelines provide an illustrative list of works, which can be taken up under the scheme and prohibit items, such as office buildings, residential buildings, acquisition of land and inventory materials, repairs and maintenance works, etc.

11.5. Detailed guidelines on the Scheme were issued in February 1994 by the Ministry of Rural Development. After the Scheme was transferred to the MOSPI, revised Guidelines were issued in December 1994. The Guidelines were further revised in February 1997 and in September 1999.

11.6. On the suggestions of MPs, amendments to the Guidelines have been carried out from time to time. A new edition of the Guidelines on MPLADS was issued in April 2002. In addition, administrative instructions have been issued, clarifying the policy position in many areas governing the implementation of the Scheme.

Initiatives To Streamline The Scheme

11.7 i) Review meetings for incomplete works

All the State Governments have been requested to instruct their district heads to hold review meetings in respect of incomplete works.

ii) Revised Agreement for Registered Societies/Trusts

The issue regarding payment of stamp duty by the beneficiary organization was sorted out in consultation with the Ministry of Law and a revised draft agreement, which would obviate the payment of stamp duty, was circulated to all the districts.

iii) Erection of signboards and inauguration of projects

All the district heads have been advised to invite the MPs concerned to inaugural functions relating to projects recommended by them. The MP should be informed about the time and venue of such functions well in advance. They have been advised to take steps for erection of signboards

at the sites of MPLADS work.

iv) **Delegation of powers**

All the State Governments have been requested to empower the District Collectors in their States, to administratively approve all works under MPLADS, irrespective of any limit and the district level technical officers to technically sanction a project up to Rs. 25 lakh, if their present powers are below this level. If the cost of a project exceeds Rs. 25 lakh, the Collector would give the administrative sanction only after obtaining clearance from the MOSPI.

v) **Financial ceilings imposed by Hon'ble MPs**

Earlier instructions which stipulated that the district heads should get the estimates prepared from the implementing agency and then issue sanction for the full cost of the work, have been reiterated. They have been advised to sanction a work, only if the full cost of work is committed by the MP.

vi) **Coordination meetings with Hon'ble MPs**

All the district heads have been advised to hold coordination meetings with the MPs at regular intervals and to follow the monitoring provisions of the Guidelines relating to inspection of at least 10% of the works every year.

vii) **Handling of MPLADS funds by implementing agencies**

All the State Governments have been requested to permit the implementing agencies to keep the MPLADS funds released in their favour in nationalised banks, to avoid delay in utilization of funds.

Recent decisions

11.8. i) **Works relating to Animal Care**

Works relating to animal care/welfare like construction of buildings/shelters and other facilities have been allowed under MPLADS.

ii) **Works relating to Registered Societies/Trusts**

It has been decided that not more than Rs. 25 lakh can be spent for a particular Society/Trust from MPLADS. Also the benefits of MPLAD Scheme would not be given, if the MP giving the proposal is himself, the President/Chairman or member of the Managing Committee etc., or a Trustee of the Registered Society/Trust in question.

iii) **Managing Committees of Educational Institutions can act as implementing agency**

It has been clarified to all the district heads that any reputed non-governmental organisation including Managing Committee of educational institutions can be engaged as implementing agencies for MPLADS works, if the Collector concerned considers them as capable of implementing the work satisfactorily.

iv) **Works relating to SC/ST habitations**

All the MPs have been requested to refer the proposals which may address the local area needs of predominantly SC/ST habitations but are not covered by the Guidelines on MPLADS to the Ministry for consideration.

v) **Installation of computers under MPLADS**

MPLADS funds can now be used for meeting the cost of computer hardware, initial software, furniture essential for installation and operation of computers, training of two teachers (existing teachers only), supply of training materials in respect of computer education programme to be implemented in Government and Government aided schools and educational institutions, under the MPLAD Scheme.

Funds Released

11.9. An amount of Rs. 1376 crore has been released under the scheme during the year 2002-2003 (upto 31.12.02). From the expenditure reports received upto 31/12/02 it is seen that Rs. 7861.42 crore has been spent against the total release of Rs.10273.8 crore made since the inception of the Scheme which comes to about 76.5 % of the funds released.

11.10. Statements indicating the release made to the District Collectors and the actual expenditure incurred State-wise Lok Sabha/ Rajya Sabha MPs-wise are given in the Annexure-VI to VIII.

Implementation and Monitoring

11.11. The District Collectors are responsible for the coordination and overall supervision of the works under the Scheme at the district level. The Ministry of Statistics & Programme Implementation, Government of India has the nodal responsibility for the Scheme at the Centre.

11.12. For effective implementation of the works, each State Government/UT Administration is required to designate one nodal department for state level monitoring and for coordination with the Ministry of Statistics & Programme Implementation. The

revised Guidelines specify the nature of monitoring and inspection of MPLADS works required to be undertaken by the District Head, Officers of the District at Sub-Division and Block levels and stipulates that atleast one meeting in a year should be held at the State level by the Chief Secretary or in his absence by a Senior Principal Secretary/Additional Chief Secretary to review the progress of works under the Scheme.

11.13. Guidelines on the MPLADS also provide that State Governments may make arrangements for training of District officials engaged in the implementation of MPLAD Scheme. The officers of the Ministry of Statistics and Programme Implementation participate in such training programmes of the State Governments as resource persons. The officers of the Ministry visited Bhopal, Lucknow, Shillong and Pune to participate in the training programmes organised by the Govts. of Madhya Pradesh, Uttar Pradesh, Meghalaya and Maharashtra respectively.

11.14. A meeting was held in Mumbai in August, 2002 by MOS(S&PI) with MPs to review the progress of MPLADS works in Maharashtra. MOS (S&PI) also visited Gujarat to review the implementation of rehabilitation work taken up with MPLADS funds in Kutch District. Senior officers of the Ministry also visited Karnataka, Orissa, Assam, Uttar Pradesh, Meghalaya and West Bengal to review progress of MPLADS in these States.

11.15. A Workshop - cum - Photo Exhibition on MPLADS was organised in August, 2002 in the Parliament House Annexe. About 200 MPs attended the workshop. The photo exhibition was well appreciated. This was followed by another workshop on MPLADS on 17th and 18th of December, 2002 at the same venue. It was attended by 186 MPs. The workshop has helped in eliciting the suggestions of MPs for making the scheme more effective.

Impact of the Scheme

11.16. The Scheme has made an impact in the field and is catering to the developmental needs of the people. Different types of works have come up for the benefit of the general public at large. These include construction of buildings for schools and libraries, provision of drinking water facilities including supply of water tankers, construction of roads, bridges, sports stadia, community centres, crematoria, public toilets, drains, footpaths, bus stops, animal care centres, provision of electricity



Welcome to Hon'ble Prime Minister and Deputy Prime Minister to the Exhibition on MPLADS in the Parliament House Annex. New Delhi on 6.8.2002.



Hon'ble Prime Minister Shri A. B. Vajpayee, Hon'ble Deputy Chairman, Rajya Sabha, Smt, Najma Heptullah and Hon'ble Former Minister of State for Statistics and programme Implementation inspecting the Exhibition on Member of Parliament Local Area Development Scheme.



**Workshop on MPLADS in the Main Committee Room, Parliament House Annex,
New Delhi on 6.8.2002.**

in public areas, supply of motor boats for the flood/cyclone affected areas, and installation of computers in Government schools/colleges/educational institutions for the benefit of the student community, etc.