

# CHAPTER X

## MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME (MPLADS)

### Background

10.1 Members of Parliament (MPs) are generally approached by the people from their constituencies for taking up capital works. To provide a mechanism to enable MPs to recommend works of developmental nature for creation of durable assets based on locally felt needs in their constituencies and to bridge the gap for developmental works which otherwise may not figure in the district/ State plans, the “ Member of Parliament Local Area Development Scheme” (MPLADS) was announced on the 23rd, December, 1993. The Scheme was initially administered by the Ministry of Rural Development. The subject was transferred in October, 1994 to the Department of Programme Implementation, Ministry of Planning and Programme Implementation (now Ministry of Statistics and Programme Implementation).

10.2 The Scheme is administered in accordance with the Guidelines issued by Government of India. Detailed Guidelines indicating the objectives of the Scheme, salient features of the scheme, list of works that may be taken up, works which shall not be allowed under the Scheme, procedures for sanction and execution of works, monitoring arrangements and procedure for release of funds, were issued in February, 1994 by the Ministry of Rural Development. After the Scheme was transferred to this Ministry, revised Guidelines were issued in December, 1994. The Guidelines were further revised in February, 1997 and in September, 1999. Further amendments to the Guidelines are carried out from time to time and a new edition of the Guidelines on MPLADS was issued, in April 2002.

### Salient Features

10.3 Elected Lok Sabha Members can make recommendations for works to be taken up within their Lok Sabha constituencies. The elected Members of Rajya Sabha can make recommendations for works anywhere in the State of their election, choosing one district within the State as the nodal district for coordination purpose. The nominated Members of Lok Sabha and Rajya Sabha may select works for implementation anywhere in the country, choosing one district as the nodal district for coordination.

10.4 Whenever there is a change in the incumbency of the Member of Parliament, the works identified by the predecessor MP, which are under execution should be completed. All works for which recommendations are received by the District Administration till the last date of the term of the MP are to be executed, provided they are as per norms and within the entitlement of the MPLADS funds of the MP.

10.5 The works suggested shall be developmental in nature, for creation of durable assets, based on the locally felt needs. Each work suggested under the scheme should not normally cost more than Rs.25 lakh. Certain works such as office buildings, residential buildings, buildings related to Governments, purchase of inventory or stock of any type,

repairs and maintenance works, grants and loans, acquisition of land, recurring expenditure, works for places of religious worship, etc. are not permitted under the scheme.

### **Financial Aspects**

10.6 Funds are released by the Government of India directly to the District Administration under intimation to the State Government, which are to be deposited by the District Administration and the implementing agencies, in nationalized banks only. The annual entitlement of funds under MPLADS per MP Constituency has been fixed at Rs. 2 crore from the year 1998-99 onwards. The funds released are non-lapsable i.e. the liability of funds not released in a particular year is carried forward for making releases in the subsequent years subject to eligibility. Funds are to be deposited by the District Administration in nationalized banks. The normal financial and audit procedures will apply to all actions under the Scheme.

### **Financial Highlights (As on 21.02.2005)**

- \*Rs 13171.30 crore have been released since the scheme inception.
- \*Rs. 991.50 crore released during 2004-2005 (upto 21.02.2005).
- \*Expenditure of Rs. 11598.02 crore incurred since inception of the Scheme.
- \*The percentage of expenditure over release = 88.06

10.7 Unspent balance of funds left by the predecessor MP in a Lok Sabha constituency is passed on to the successor MP from that constituency. Unspent balance left by the predecessor elected Members of Rajya Sabha in a particular State is to be distributed equally among the successor elected Rajya Sabha Members in that State. In case of re-election in continuation, the MP is to be treated as his/her own successor and the balance will continue in his/her account. Similarly, the re-elected MP would not get the share of unspent balance of predecessor MPs. Unspent balance left by the predecessor nominated Members of Rajya Sabha/Lok Sabha is to be distributed equally amongst the successor nominated Members of Rajya Sabha/Lok Sabha respectively.

10.8 Part funding of projects permissible under the Scheme can be made from MPLADS provided such sharing of funds leads to completion of the work and is with reference to clearly identifiable part of the work. Substitution of public contribution with MPLADS funds is not allowed in any Central / State programmes which includes a component of such contribution.

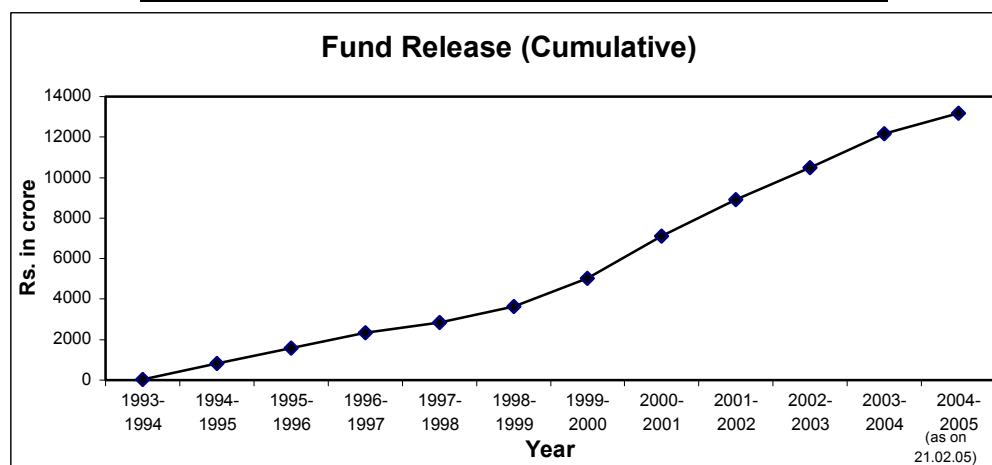
10.9 Public utility works of registered Societies/Trusts, fulfilling certain conditions laid down in the guidelines are also permissible but not more than Rs. 25 lakh can be spent for a particular Society/Trust from MPLADS (either for one or more projects of the Society/Trust). The benefits of Scheme would not be given to a Society/Trust if the MP recommending the proposal is himself President/Chairman or Member of the Managing Committee or Trustee etc. of the Registered Society/Trust in question.

10.10 Implementing agencies cannot collect any administrative charges, centage charges, etc., for their services rendered relating to preparatory work, implementation and supervision etc.

10.11 MPs can contribute MPLADS funds outside their constituency/state also for rehabilitation works in the event of ‘natural calamity of rare severity’ up to an amount of Rs.10 lakh for each such calamity. Whether a calamity is of rare severity or not, will be decided by the Government of India.

**Table-10.1**  
**Funds Released**

(Rs. in Crore)		
Year	Funds Released	Cumulative Release
1993-1994	37.80	37.80
1994-1995	771.00	808.80
1995-1996	763.00	1571.80
1996-1997	778.00	2349.80
1997-1998	488.00	2837.80
1998-1999	789.50	3627.30
1999-2000	1390.50	5017.80
2000-2001	2080.00	7097.80
2001-2002	1800.00	8897.80
2002-2003	1600.00	10497.80
2003-2004	1682.00	12179.80
2004-2005	991.50	13171.30
(as on 21.02..2005)		
<b>Total</b>	<b>13171.30</b>	



### Implementation and Monitoring

10.12 The Ministry of Statistics & Programme Implementation, Government of India has the nodal responsibility for the Scheme at the Centre and is responsible for policy formulation, prescribing monitoring formats and for release of funds. Based on the MPLADS expenditure statements received from the districts, a database covering aspects such as funds released, number and amount of works recommended, number and amount of works sanctioned, expenditure incurred, etc. for each Member of Parliament, has been built and is updated on a day-to day basis. At the end of the month a detailed ‘Statement of

Release and Expenditure under MPLADS' is brought out. The information is posted to website [mplads.nic.in](http://mplads.nic.in)

### Physical aspects of the scheme

As on	Number of works		
	Recommended	Sanctioned	Completed
31-03-2003	740100	653622	519676
31-03-2004	857169	762554	611131
21-02-2005	921792	815579	707311



**Shri Oscar Fernandes, Hon'ble Minister of State (Independent Charge) for Statistics and Programme Implementation addressing the inter-active discussion on Member of Parliament Local Area Development Scheme held on 9.12.2004.**



**Shri Somnath Chatterjee, Hon'ble Speaker, Lok Sabha, Smt. Sheila Dixit, Hon'ble Chief Minister, National Capital Territory of Delhi, Shri Dayanidhi Maran, Hon'ble Minister of Communication and Information Technology, Shri Oscar Fernandes, Hon'ble Minister of State (Independent Charge) for Statistics and Programme Implementation, Shri R. Velu, Hon'ble Minister of State for Railway, Shri K. Rehman Khan, Hon'ble Deputy Chairman, Rajya Sabha and Chairman, MPLADS Committee, Rajya Sabha, Shri Charanjit Singh Atwal, Hon,ble Deputy Speaker, Lok Sabha and Shri Prasanna Acharya, Hon'ble Chairman MPLADS Committee, Lok Sabha present at the time of launching of software on MPLADS works monitoring on 30<sup>th</sup> November, 2004.**

10.13 The Ministry holds meetings from time to time in the States to review the effective and timely implementation of MPLADS. Training support such as training material, resource persons etc. for conducting of training on MPLADS for district officers are also provided as and when Training Workshops are organised by the State Governments.

10.14 The Departments in the States/UTs nominated as State Nodal Departments for MPLADS have the overall responsibility of supervision and monitoring of the Scheme, coordination with the districts and the functional departments. Physical monitoring of the Scheme has to be done through field inspections. The State Governments have to make arrangements for training of district officers concerned with the implementation of the MPLAD Scheme.

10.15 The Chief Secretary, or in his absence, the Additional Chief Secretary/ Senior Principal Secretary is to conduct a meeting of the Heads of the Districts and MPs to assess the progress under the Scheme, at least once in a year.

10.16 The District Administration is responsible for the coordination and overall supervision of the works under the Scheme at the district level and the Collector has to inspect at least 10% of the works under implementation every year. (District Administrations are to hold review meetings in respect of incomplete works). Further, District Collectors have been advised to hold coordination meetings with the MPs once in two months.

10.17 **Hon'ble Minister of State(Independent Charge)** had made two separate visits to Tamil Nadu and a visit to Pondicherry in connection with monitoring of works under MPLADS.

10.18 **Interactive Discussion with MPs on MPLADS** : On the initiative of Hon'ble Minister of Statistics and Programme Implementation, Interactive Discussion on MPLADS with MPs of various States were held on 19<sup>th</sup> August, 2004, 23<sup>rd</sup> August, 2004, 27<sup>th</sup> August, 2004 and 9<sup>th</sup> December, 2004 in Parliament House Annexe, New Delhi and reviewed the performance under MPLADS.

10.19 **Launching of software for Online Monitoring of works under MPLADS** : The software for online monitoring of works under MPLADS has been launched on 30<sup>th</sup> November, 2004. A C.D. for the software with a Manual was given to the representatives of the State Governments and U.T. Administrations.

10.20 In order to help rehabilitation works in the Tsunami affected areas, the government has relaxed the provisions of the Guidelines on MPLADS so as to enable the MPs to recommend any amount out of his entitlement. The Speaker, Lok Sabha, the Chairman, Rajya Sabha and the Minister of State for Statistics & P.I. (Independent Charge) have issued appeals to all the MPs to communicate the amount they intend to contribute from their MPLADS funds for the rehabilitation works in the Tsunami affected areas. In response to these appeals, 290 MPs have given their consent for Rs 4027 lakh, upto 21.02.2005. The location and rehabilitation works are being identified. The consented amount will be transferred from the Nodal District of the MP concerned to the District Collectors of the affected areas for completion of the identified works.

Table-10.2

**Release of funds and expenditure incurred under MPLADS  
( As on 21<sup>st</sup> February, 2005)**

(Rs. in Crore)

S. No.	State	Released by GOI	Amount Sanctioned	% Sanctioned over Released	Expenditure Incurred	% Utilisation over Released
1	Nominated	177.00	161.66	91.33	135.55	76.58
2	Andhra Pradesh	1021.95	1009.80	98.81	892.14	87.30
3	Arunachal Pradesh	54.15	51.17	94.50	50.15	92.60
4	Assam	364.55	346.07	94.93	331.34	90.89
5	Bihar	953.35	914.46	95.92	813.75	85.36
6	Chhattisgarh	260.65	250.14	95.97	236.71	90.82
7	Goa	47.15	50.76	107.65	39.85	84.51
8	Gujarat	618.35	608.79	98.45	542.76	87.78
9	Haryana	251.25	243.47	96.90	228.96	91.13
10	Himachal Pradesh	120.35	110.78	92.05	105.47	87.64
11	Jammu & Kashmir	138.50	133.18	96.16	109.42	79.00
12	Jharkhand	288.75	268.31	92.92	230.91	79.97
13	Karnataka	683.00	673.52	98.61	631.99	92.53
14	Kerala	469.95	479.71	102.08	381.94	81.27
15	Madhya pradesh	701.60	681.04	97.07	632.13	90.10
16	Maharashtra	1095.75	1138.64	103.91	969.63	88.49
17	Manipur	53.15	50.54	95.08	46.41	87.33
18	Meghalaya	51.15	47.38	92.63	47.38	92.62
19	Mizoram	36.10	34.09	94.44	34.02	94.24
20	Nagaland	34.10	31.10	91.20	31.10	91.20
21	Orissa	524.00	498.14	95.06	443.15	84.57
22	Punjab	334.05	325.30	97.38	288.93	86.49
23	Rajasthan	599.25	587.62	98.06	541.08	90.29
24	Sikkim	34.10	32.12	94.19	31.30	91.78
25	Tamil Nadu	1004.35	1007.74	100.34	955.53	95.14
26	Tripura	52.15	49.51	94.93	46.36	88.89
27	Uttaranchal	121.25	112.55	92.82	102.63	84.64
28	Uttar Pradesh	1913.70	1836.78	95.98	1712.36	89.48
29	West Bengal	898.35	882.37	98.22	755.34	84.08
30	A & N Islands	17.05	15.52	91.03	15.52	91.03
31	Chandigarh	17.05	16.07	94.22	16.01	93.91
32	D & N Haveli	16.05	18.52	115.39	15.37	95.76
33	Daman & Diu	17.05	16.07	94.25	15.36	90.09
34	Delhi	153.95	151.82	98.61	129.57	84.16
35	Lakshdweep	15.05	12.22	81.20	11.02	73.21
36	Pondicherry	33.10	34.20	103.33	26.89	81.23
	<b>Total</b>	<b>13171.30</b>	<b>12881.15</b>	<b>97.80</b>	<b>11598.02</b>	<b>88.06</b>

Table-10.3

**Release of funds and expenditure incurred under MPLADS  
(Lok Sabha Members)  
(As on 21<sup>st</sup> February, 2005)**

(Rs in Crore)

S. No.	State	Released by GOI	Amount Sanctioned	% Sanctioned over Released	Expenditure Incurred	% Utilisation over Released
1	Nominated	31.50	29.57	93.87	27.63	87.70
2	Andhra Pradesh	715.55	718.11	100.36	644.86	90.12
3	Arunachal Pradesh	36.10	34.40	95.30	33.71	93.39
4	Assam	243.70	234.69	96.30	228.08	93.59
5	Bihar	677.40	650.22	95.99	597.27	88.17
6	Chhattisgarh	191.55	185.58	96.89	177.73	92.79
7	Goa	33.10	35.87	108.36	28.02	84.64
8	Gujarat	440.30	439.72	99.87	400.73	91.01
9	Haryana	168.50	163.93	97.29	156.88	93.10
10	Himachal Pradesh	69.20	65.54	94.71	65.04	93.99
11	Jammu & Kashmir	88.00	85.14	96.75	75.25	85.51
12	Jharkhand	231.70	217.83	94.01	189.19	81.65
13	Karnataka	476.40	472.69	99.22	446.05	93.63
14	Kerala	332.00	349.27	105.20	290.39	87.47
15	Madhya pradesh	499.40	494.34	98.99	465.65	93.24
16	Maharashtra	805.30	842.47	104.62	733.11	91.04
17	Manipur	35.10	33.36	95.03	29.64	84.45
18	Meghalaya	35.10	33.06	94.19	33.06	94.17
19	Mizoram	18.05	17.14	94.95	17.14	94.95
20	Nagaland	17.05	16.05	94.13	16.05	94.13
21	Orissa	358.00	344.57	96.25	322.73	90.15
22	Punjab	217.65	210.10	96.53	188.80	86.75
23	Rajasthan	438.25	433.30	98.87	404.00	92.19
24	Sikkim	17.05	16.05	94.13	15.79	92.62
25	Tamil Nadu	687.95	690.58	100.38	656.34	95.40
26	Tripura	35.10	33.26	94.75	31.89	90.86
27	Uttaranchal	88.25	84.23	95.44	80.69	91.44
28	Uttar Pradesh	1388.50	1342.20	96.67	1273.58	91.72
29	West Bengal	666.05	669.38	100.50	573.44	86.10
30	A & N Islands	17.05	15.52	91.03	15.52	91.03
31	Chandigarh	17.05	16.07	94.22	16.01	93.91
32	D & N Haveli	16.05	18.52	115.39	15.37	95.76
33	Daman & Diu	17.05	16.07	94.25	15.36	90.09
34	Delhi	110.30	112.67	102.15	97.56	88.45
35	Lakshdweep	15.05	12.22	81.20	11.02	73.21
36	Pondicherry	17.05	17.23	101.07	13.02	76.39
	<b>Total</b>	<b>9251.40</b>	<b>9150.93</b>	<b>98.91</b>	<b>8386.63</b>	<b>90.65</b>



Table-10.4

**Release of funds and expenditure incurred under MPLADS  
(Rajya Sabha Members)  
(As on 21<sup>st</sup> February, 2005)**

(Rs. in Crore)

S. No.	State	Released by GOI	Amount Sanctioned	% Sanctioned over Released	Expenditure Incurred	% Utilisation over Released
1	Nominated	145.50	132.09	90.79	107.93	74.18
2	Andhra Pradesh	306.40	291.69	95.20	247.28	80.70
3	Arunachal Pradesh	18.05	16.77	92.91	16.43	91.04
4	Assam	120.85	111.37	92.16	103.26	85.44
5	Bihar	275.95	264.24	95.76	216.48	78.45
6	Chhattisgarh	69.10	64.55	93.42	58.98	85.36
7	Goa	14.05	14.89	105.97	11.83	84.21
8	Gujarat	178.05	169.07	94.95	142.03	79.77
9	Haryana	82.75	79.54	96.12	72.08	87.11
10	Himachal Pradesh	51.15	45.24	88.45	40.44	79.05
11	Jamu & Kashmir	50.50	48.05	95.15	34.17	67.66
12	Jharkhand	57.05	50.49	88.49	41.72	73.13
13	Karnataka	206.60	200.83	97.21	185.93	90.00
14	Kerala	137.95	130.44	94.56	91.55	66.36
15	Madhya pradesh	202.20	186.70	92.33	166.48	82.33
16	Maharashtra	290.45	296.17	101.97	236.52	81.43
17	Manipur	18.05	17.18	95.18	16.77	92.93
18	Meghalaya	16.05	14.32	89.23	14.32	89.23
19	Mizoram	18.05	16.95	93.93	16.88	93.53
20	Nagaland	17.05	15.05	88.27	15.05	88.27
21	Orissa	166.00	153.57	92.51	120.41	72.54
22	Punjab	116.40	115.20	98.97	100.12	86.01
23	Rajasthan	161.00	154.32	95.85	137.07	85.14
24	Sikkim	17.05	16.07	94.25	15.50	90.93
25	Tamil Nadu	316.40	317.16	100.24	299.19	94.56
26	Tripura	17.05	16.25	95.31	14.47	84.84
27	Uttaranchal	33.00	28.32	85.83	21.93	66.46
28	Uttar Pradesh	525.20	494.58	94.17	438.79	83.55
29	West Bengal	232.30	212.99	91.69	181.90	78.30
30	Delhi	43.65	39.14	89.68	32.01	73.34
31	Pondicherry	16.05	16.97	105.73	13.86	86.37
	<b>Total</b>	<b>3919.90</b>	<b>3730.22</b>	<b>95.16</b>	<b>3211.39</b>	<b>81.93</b>