

Executive Summary

This booklet presents the Best Practices and Positive Findings of the MPLADS Monitoring Study undertaken by Nabcons on behalf of the Ministry of Statistics and Programme Implementation, Government of India in respect of the following 30 districts covering 25 states/UT (Phase-I).

STATES & DISTRICTS	STATES & DISTRICTS	STATES & DISTRICTS
Andhra Pradesh <ul style="list-style-type: none"> • East Godavari • Karimnagar Arunachal Pradesh <ul style="list-style-type: none"> • Lohit Assam <ul style="list-style-type: none"> • Jorhat Bihar <ul style="list-style-type: none"> • Patna • Nalanda Chandigarh <ul style="list-style-type: none"> • Chandigarh Chattisgarh <ul style="list-style-type: none"> • Raipur Delhi <ul style="list-style-type: none"> • Delhi Gujarat <ul style="list-style-type: none"> • Anand 	Haryana <ul style="list-style-type: none"> • Rohtak Himachal Pradesh <ul style="list-style-type: none"> • Hamirpur Jammu & Kashmir <ul style="list-style-type: none"> • Jammu Jharkahnd <ul style="list-style-type: none"> • Ranchi Karnataka <ul style="list-style-type: none"> • Bangalore Urban Kerala <ul style="list-style-type: none"> • Allepey Madhya Pradesh <ul style="list-style-type: none"> • Betul Maharashtra <ul style="list-style-type: none"> • Aurangabad • Wardha Meghalaya <ul style="list-style-type: none"> • Shillong 	Orissa <ul style="list-style-type: none"> • Khruda Puducherry <ul style="list-style-type: none"> • Puducherry Punjab <ul style="list-style-type: none"> • Ludhiana Rajasthan <ul style="list-style-type: none"> • Jodhpur Tamil Nadu <ul style="list-style-type: none"> • Thiruvannamalai Uttar Pradesh <ul style="list-style-type: none"> • Lucknow • Agra Uttarakhand <ul style="list-style-type: none"> • Haridwar West Bengal <ul style="list-style-type: none"> • South 24 Parganas • North 24 Parganas

The study findings are based on a field study of a sample of 1577 completed works costing Rs 5 lakh and above covering all the eleven sectors in the 30 districts. Major works undertaken with MPLADS funds covered the category of Roads, Pathways & Bridges (33%), other Public facilities (20%), Education (20%) and Health & Family Welfare (8%). The sample covered a representative mix of works completed in rural areas, semi-urban/ urban areas, areas predominated by SCs/STs, joint works, independent works, works allotted to Trusts/ Societies/ NGOs, and a mix of works recommended by Lok Sabha MPs and Rajya Sabha MPs. Discussions were also held with the State Nodal Department (SND), District Authority (DA), implementing agencies, User Agencies as also the local user community.

Best Practices

Various agencies involved in the process of implementation had devised one or the other innovative way of performing their functions in their respective districts, which could evolve into the best practices to be replicated by other districts as well. These best practices were generally common for all the 11 sectors, in which MPLADS works were implemented. While the agencies devised, evolved and continued with practicing those innovative practices, full compliance with the universal features of the MPLADS framework was simultaneously ensured to preclude any violation of the scheme guidelines.

State Nodal Departments

- Holding bi-annual State Level Review meetings (instead of annual meetings)
- Holding divisional level meetings
- Organisation of training programmes of DA officials
- Meticulous follow up of Audit objections
- Proposal to include the progress of MPLADS as an agenda item in the Chief Minister's bi-annual meeting with the Deputy Commissioners

District Authorities

- Greater focus on regular monitoring (Magistrate level officers involved)
- Preparing monitoring visit notes for follow up with IA
- Taking photographs of works at various stages of implementation of project
- Compulsory monitoring of works allotted to Trusts/Societies/NGOs
- Preparing 'Templates' of projects
- Canvassing for opinion of the local community followed by regular monitoring
- Releasing second installment only after receipt of photographs/ obtaining utilization certificate of advance,
- Opening saving bank account of 'flexi-deposit' type
- Pursuing audit objections with IAs
- Outsourcing of data up-dation in computer (due to staff constraints).

- Video film making of bigger projects
- Estimating cost for recommending works through the technical departments concerned

Implementing Agencies

- Having adequate monitoring staff
- Regular monitoring
- Sending MPRs/ photographs of works, etc. to the DA in time
- Adhering to IRAC norms in road construction
- Involving local community/ Gram Sabha/ teachers/ lawyers, etc. in voluntary supervision of ongoing works
- Testing materials to ensure the quality of constructed structures.

User Agencies

- Making exclusive/ own arrangement of funds for maintenance of assets created under MPLADS
- Outsourcing of maintenance works
- Creating unique / modern assets in hospitals which had maximum utility for end users
- Soliciting the services of advocates for supervision of ongoing projects on voluntary basis.

Salient Observations and Findings

The performance of the agencies (mainly DA and IAs) was observed as good in terms of pre-sanction implementation process, efficiency/ strictness in implementation, etc., which resulted in generally good quality of assets, utility and maintenance of assets and positive impact of the works implemented under MPLADS. Adherence to universal norms/ guidelines of the scheme together with innovative practices devised in implementation, as

discussed above, also created a positive impact of the scheme in the study area covering 30 districts.

Pre-sanction Implementation Process

- The District Agency, before sanctioning projects, took necessary clearance from the Departments concerned in case of 80% of the sample works.
- District Authority identified the User Agency for the sanctioned projects in case of 67% of sample works.
- For projects like drinking water facility (tap), community hall, etc. which do not have fixed UA, local community itself volunteered or was solicited to take over the upkeep and maintenance, of the structures/ assets created. Therefore, the gap in identification of User Agency was automatically filled through volunteerism in the right spirit of decentralized development and philosophy of participatory approach envisaged under MPLADS.
- Upon completion of projects, unspent amount was returned by the Implementing Agencies in 89% of the MPLADS works

Efficiency in Implementation

- 55% of the sample works were sanctioned by the DA within the norm of 45 days, which may be considered satisfactory, considering the situational factors.
- The projects, which were sanctioned beyond 45 days (average time taken for all sample projects 96 days) were affected, for example, by time taken for obtaining necessary clearance, excess time required for preparation of cost estimates and technical sanction, difficulty in identification of Implementing Agencies, etc.
- 60% of the sample works were completed within the norm of 365 days or the duration as specified in the sanction order of the District Authority. Average time taken from the date of sanction and submission of Work Completion Report by IAs was 394 days, which is exactly equal to the norm of 395 days.

Quality and Utility of Assets Created

- All the sample works selected for the study were observed to be in existence at the time of field visits.
- 88% of the sample works were of good/ satisfactory quality, in the perception of the study team.
- Local community also perceived 91% of the sample works to be of good or satisfactory quality.

Utility and Maintenance of Assets Created

- 91% of the sample works were having good/ satisfactory use/ utility for the local community as per their own perception.
- The local community also informed that maintenance of assets created under MPLADS was being done fully (as per ideal requirement) or partly (during some years) in case of 64% of the sample works. Therefore, while upkeep and maintenance of MPLADS works was not as much a serious problem as commonly perceived by many sections of the larger society, there was some scope for betterment.

Impact of Works

- The works implemented under MPLADS had an overall positive impact on the local economy, society, physical environment, etc.
- The local community perceived that 74% of the sample MPLADS works implemented in different sectors had positive impact on the local economy in terms of connectivity, business opportunities, trade, employment, irrigation to some extent, etc.
- 86% of the sample works had a positive impact on the social structure/ social fabric of the local community, as generally there was mutual harmony, common acceptance of projects, and no social conflict or encroachment on works for private benefits.
- 63% of the sample works had positive impact on the physical environment and there was at least no negative impact of any sort due to any project in different

sectors. In fact, there were few instances where advanced technology was getting used in some of the projects (for instance electrical crematorium) for environment protection, resource conservation (solar lamps), etc.

Conclusions

MPLADS is an unique scheme having the characteristic feature of decentralized development founded on the wide scale application of the principle of participatory development and maintenance of economic and social infrastructure. The innovative practices evolved by various agencies in the process of implementation, involvement of local community not only in conception of projects but also monitoring/ supervision, upkeep & maintenance of assets on voluntary basis , fairly good quality of assets created and good use made of the infrastructure has resulted in a positive impact of the works implemented under scheme on the local economy, social fabric and physical environment. The local community has well accepted the scheme due to its inherent strong elements, better implementation and positive overall impact on the economic life and social living conditions of the people, both in rural and urban (including metropolitan) areas, different social classes (including SCs and STs) and different sectors having connection with the economic life and ultimately influencing the livelihoods of the common people, who have now got an opportunity to have direct access to the small but basic infrastructure facilities and channels of development (i.e. People's Representatives) through which funds are channeled from the Government of India.

Chapter – I

INTRODUCTION

Genesis of MPLADS

1.1 Infrastructure plays a key role in stimulating economic growth by raising factor productivity and enhancing quality of life through provision of necessary amenities. The significance of infrastructure as an effective tool to induce productive deployment of private capital in the development process assumed added impetus in India after the onset of the economic reforms of the 1990s. One of the main challenges before the economic reforms process in India was to evolve appropriate strategies for bridging the gap between the potential demand for infrastructure and its available supply, particularly in the decentralized sector. Consequently there was a paradigm shift to a decentralized participatory approach to infrastructure promotion by synthesizing the localized development aspirations of the community with the overall national growth priorities.

1.2 Reckoning the imperative need for creation of economic and social infrastructure on sustainable basis, which truly reflects the development needs and aspirations of the local community, Government of India launched an important decentralized development programme, i.e. the “Member of Parliament Local Area Development Scheme” (MPLADS) in 1993-94. The scheme with its localized approach, wider all-India coverage, operational flexibility, social focus, community’s involvement in planning, designing, managing and execution of works, etc. marked a watershed in the participatory planning process in the country. The main objective of the scheme is to enable MPs to recommend works of developmental nature with emphasis on the creation of durable community assets based on the locally felt needs to be taken up in their constituencies.

MPLAD Scheme – Basic Features

1.3 Government of India announced the launching of the Members of Parliament Local Area Development Scheme (MPLADS) on 23 December 1993. Under the scheme, each MP of Lok Sabha can suggest to the District Authority in the district concerned, works to the tune of Rs.2 crore as per guidelines applicable from the year 1998-99, to be taken up in his/ her constituency. The MPs of Rajya Sabha can select one or more districts(s) from the State from which he/ she has been elected. The nominated MPs, both Lok Sabha and Rajya Sabha, can also select one or more districts within the State/ Union Territory of their choice.

1.4 The works under the scheme have to be developmental in nature and based on locally felt needs of the people. The emphasis is on creation of durable assets. Funds provided under the scheme are not to be used for incurring revenue expenditure. Besides physical structures, the funds allocated can be used for purposes such as provision of

service support facilities. However, recurring expenditure on staff, maintenance, etc. is not included in the type of activities/ works permissible under the scheme.

1.5 The Ministry of Statistics and Programme Implementation has issued guidelines for implementation of MPLAD Scheme, which have been revised from time to time since they were issued first time in February 1994. The latest revision took place in April 2002. The comprehensive guidelines of the scheme were released by the Government of India in a booklet of the Ministry titled, *Guidelines on Member of Parliament Local Area Development Scheme* published in November 2005. The latest guidelines encompass the background of the scheme, its salient features, process of implementation, procedure of fund release and management, accounting procedure, and monitoring mechanisms at different levels. It also contains different types of formats for data entry, list of prohibited works, sector list, scheme codes, progress report, work completion report, utilization certificate and audit certificate, for use in the process of implementation of works by various agencies at State and district level.

1.6 The process of implementation of the scheme commences with the release of annual entitlement by the Government of India directly to the District Authority, under intimation to the State/ UT Nodal Department and to the MP concerned. The District Authority can sanction works up to the entitlement of the MP for the year without even physical availability of funds. The District Authority may release advance up to 50% of the estimated amount of a sanctioned work to the Implementing Agency for utilization. On the basis of the physical and financial report furnished by the Implementing Agency, the District Authority can release the remaining funds when 60% of the advance has been utilized.

Overall Progress of MPLAD Scheme at All India Level

1.7 The total number of works recommended across all States in different sectors under the scheme, as on 31 March 2006, stood at 10,19,793, of which 9,04,955 works have been sanctioned and 8,00,973 works completed. The proportion of works completed to sanctioned at all-India level is 88.5%. Among major States, maximum number of works under MPLADS were sanctioned in Uttar Pradesh (1,07,055), Andhra Pradesh (87,665), Gujarat (72,285), Maharashtra (47,191), Madhya Pradesh (58,334), Orissa (58,823), Tamilnadu (56,838), Rajasthan (52,466), and West Bengal (51,569). The major States, except West Bengal, Bihar, Maharashtra and Andhra Pradesh, had 91.8-96% of sanctioned works completed, which is higher than the all-India average of 88.5%. Of all the States in India, Nagaland registered the highest proportion of works completed (99.1%).

1.8 As on 31 May 2007, the funds released by Government of India under MPLAD scheme since inception to different States reached Rs.16683.20 crore (cumulative). Correspondingly, the amount sanctioned under the scheme by DAs in the States aggregated Rs.16100.25 crore, which is 96.5% of funds released. Actual expenditure incurred stood at Rs.14804.51 crore, indicating a utilization of 88.7% of funds released at all-India level. Among the major states, Uttar Pradesh occupied the top position, with

cumulative funds released amounting to Rs.2421.20 crore, followed by Maharashtra (Rs.1365.75 crore), Andhra Pradesh (Rs.1309.45 crore), Tamilnadu (Rs.1272.35 crore), Bihar (Rs.1191.90 crore) and West Bengal (Rs.1150.85 crore). The lowest release of funds was accounted for by Nagaland (Rs.43.10 crore). Among the Union Territories Lakshdweep witnessed lowest release of funds amounting to Rs.17.05 crore, while Pondicherry with Rs.36.10 crore accounted for the largest release of funds.

1.9 Utilization of funds was highest in Arunachal Pradesh at 96.3%, closely followed by Tamilnadu (95.1%), Mizoram (93.2%), Maharashtra 90.8%, Nagaland (90.7%), Assam (90.5%) and Meghalaya (89.9%). Among the other major States, utilization of funds was slightly below all-India average of 88.7%, in Uttar Pradesh (87.6%), Andhra Pradesh (88.2%), West Bengal (87.4%) and Bihar (82.1%). A comparative position of the status of MPLADS in different States is presented in **Annexure-I**.

Monitoring Study of MPLADS Works

1.10 In order to ensure that the execution of the MPLADS Works results in creation of durable community assets commensurate with the scheme objectives, the Ministry of Statistics and Programme Implementation, Government of India has been monitoring the implementation of the scheme since its inception in 1993. Since management of data would be huge in view of the large number of works executed each year throughout the country, the Ministry of Statistics and Programme Implementation had prepared software for the use of the concerned district/state authorities for monitoring of works executed under MPLAD scheme. The agencies concerned with implementation and monitoring are expected to feed the data covering each work completed under MPLADS and submit the same to the Ministry. However, the Ministry was concerned about nature and extent of inputs received from districts in the software formats.

1.11 The views of the Comptroller and Auditor General of India and suggestions of the Planning Commission, GOI, also pointed to the fact that the monitoring and supervision was the "weakest part of the scheme" and relevant records of inspection were not being maintained.

1.12 Ascertaining the quality of works and proper use was also emphasized, as this aspect was not adequately addressed in the on-going monitoring mechanism. Moreover, the Ministry also felt concerned that all the districts may not have fully completed the uploading of data of the details of works (including all previous and current MPs) in the Works Monitoring Software, or there could be constraints in its updating on regular basis.

1.13 Considering the above factors, a need was felt by the Ministry of Statistics and Programme implementation to have an independent review of the works completed under the scheme. Initially, it was conceived to have a comprehensive assessment of the works, covering such aspects as utilization of funds, quality of works created, and check whether various aspects such as geographical, topographical, environmental, social, cultural and statutory requirements have been taken into account in the sanction and execution of works. Subsequently, the issues related to the conduct of monitoring study were



discussed threadbare between the Ministry and the Nabcons, and in view of ground level situation it was decided to focus the study on the role of various implementing agencies at different levels, verification of assets to assess the quality of assets created, adherence to the scheme guidelines and overall impact of the scheme. The monitoring study thus conducted by Nabcons is expected to shed light on the "dialectics of development" in the areas where such works were implemented so that the rationality and eligibility of works executed under MPLADS could be validated.

Chapter II

Objectives and Methodology

2.1 This chapter presents the major objectives of the study, nature of data collected, structured profomae/ questionnaires used for the study, and approach and methodology followed for the conduct of study.

Objectives of Study

2.2 The monitoring study focuses on analysis of the implementation process, asset verification (*quality of assets*) and adherence to the scheme guidelines, as detailed under:

- (i) To assess the process and mode of implementation of MPLADS works;
- (ii) To study the quality verification of assets created under the scheme.
- (iii) To assess the utility of the works to the users and its nature of impact on
- (iv) local community;
- (v) To study the extent of adherence to the scheme guidelines by various agencies;
and
- (vi) To study the policy issues, and offer suggestions and recommendations.

Approach and Methodology of Study

2.3 Keeping in view the major objectives of the study, the GoI Guidelines on MPLADS, the terms of the MoU between Nabcons and the Ministry of Statistics & Programme Implementation, as also the suggestions of the Ministry, the approach and methodology of the assignment was drawn up as under:

Study Team

2.4 A team of 2 experts conducted the field study. The study team consisted of:

- (i) Economist / Financial expert
- (ii) Technical Expert

Approach to the Study

2.5 Before commencement of the study, secondary data pertaining to the MPLADS works costing Rs.1 lakh and above were obtained in advance from the concerned District Authority's (DA) Office as per structured proforma, which formed the basis for selection of samples.

b) Sample Selection – Steps involved

2.6 The following steps were involved in the process of sample selection for MPLADS monitoring study:

- (i) A sample of 50 works per district was selected for field monitoring and intensive study of works. Accordingly for the thirty districts a total sample size of 1577 works were visited during the study. The sampling methodology is given below under items ii, iii, iv & v.
- (ii) Only works each involving a cost of Rs 5 lakh and above were considered for the study. Wherever total number of such works in a district was less than 50, the shortfall was made good by taking works each costing less than Rs.5 lakh, in descending order.
- (iii) All works costing Rs 25 lakh and above were included in the sample for field study.
- (iv) A sector-wise list of completed works costing Rs. 5 lakh and above, indicating physical number for each sector was prepared based on the information collected from the DA. The summary of the sectorwise works and the sample selected is given below in Table 2.1.

Table 2.1: Sample Selected for the MPLADS Monitoring Study

Particulars	Universe (Total 30 districts)	% of Universe	Sample	% of Sample
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
Total Completed Works	49288	100.0	1577	100.0
Sectoral Distribution				
Drinking Water Facility	6951	14.1	51	3.2
Education	7522	15.3	320	20.3
Electricity	1576	3.2	38	2.4
Health & Family Welfare	990	2.0	120	7.6
Irrigation	686	1.4	60	3.8
Non-conventional Energy Sources	251	0.5	2	0.1
Other Public facilities	10049	20.4	322	20.4
Roads, Pathways & Bridges	18697	37.9	517	32.8
Sanitation & Public Health	2143	4.3	66	4.2
Sports	644	1.3	55	3.5
Animal care	105	0.2	7	0.4
Other Works	379	0.8	19	1.2

- (v) Selected 10-15% of total works involving Societies/Trusts. Further selected 10-15% of the works in areas inhabited by SC/STs. The sample works were selected in a way to reflect a judicious blend of the following parameters :
- ❖ Implementing Agency-wise
 - ❖ Year-wise completed works
 - ❖ Constituency wise / MP-wise (i.e. Lok Sabha, Rajya Sabha, Nominated Rajya Sabha Memebers, etc,)
 - ❖ Area-wise works – Rural/Urban / Metropolitan
 - ❖ Works for which complaints have been received and
 - ❖ Works having gestation period more than 2 years

Methodology of the Study

2.7 The methodology followed for conduct of field study is indicated as under:

- a. The study team sent a structured Proforma to the DA, with a specific request to complete the details and make it available to the study team. The team carried out the sample selection based on these details.
- b. Before commencing the study, the study team:
 - i. Visited and interact with the State Nodal Department so as to elicit necessary information regarding their role in sanction, implementation and monitoring etc. of MPLADS in a structured format.
 - ii. The website of MPLAD (<http://mplads.nic.in>) was visited to obtain related information to form an assessment of the various types of the works completed in the district.
- c. After selection of the sample works for coverage under the study (as per the methodology indicated above), the list of such sample works was given to the District Agency (DA), with a request to fill in the details and submit the same to the Study Team well in time before actual commencement of field study.
- d. The study team visited the DA's office to have interaction with the DA and other concerned officials during the course of which the study team chalked out the 'daily visit plan' for the field study.
- e. The DA was requested to advise the above visit plan to all concerned including the Implementing Agencies, BDO concerned, Block Committee, Gram Pradhan, functionaries of the Societies and Trusts concerned, to extend full cooperation to the study team.
- f. The DA was also requested to associate one Officer conversant with the scheme and the local area with the study team throughout the period of their visit.
- g. The Study Team interacted with the office of the Implementing Agency (IA) to elicit necessary information about the process involved in the implementation of the Scheme. This was done with the help of a structured format.
- h. The IA was requested to carry all the necessary papers/ documents of selected work to the site to facilitate spot verification/assessment of the same.

- i. The study team also examined some of the cases where specific complaints have been received by State Nodal Department / DA about the execution of work or quality of assets created.
- j. The study team held discussions with User Agency (UA) as per structured Proforma.
- k. While undertaking field study, the team arranged to take photographs of a few MPLADS works of discernible quality, which brings out the effectiveness of the scheme in its true perspective in creating sustainable infrastructure/assets benefiting the community at large.

2.8 The monitoring study required collection of various types of data / information from different sources, including self observation of study team. To facilitate the same a set of structured Proformas were designed. However, keeping in view the GoI guidelines on MPLAD scheme as also the objectives of the study, the study team used additional sheets for collection of relevant data or information so as to facilitate writing of good quality report. A gist of the information compiled in various Proformas designed by Nabcons is given in Table 2.2.

Table 2.2: Type of Data/ Information Collected during Field Study

Proforma	Statement Name	Purpose	Remarks
<i>A. Proformas relating to collection of Secondary data from District Authority *</i>			
I	Basic data on all completed MPLAD Works costing Rs.1.00 lakh and above, since inception	To facilitate selection of 50 sample works based on 'Stratified Random Sampling Method'	To be obtained from DA
II	Details of 50 completed Sample MPLADS Works costing Rs.5 lakh or more.	To study the process of sanction, execution and monitoring of selected MPLADS' Works and utilization of funds	To be obtained from DA,
IIA	Summary Tables for all works under MPLAD scheme, since inception	General data on MPLADS' coverage and distribution of works for analytical purpose	To be obtained from DA

B. <u>Proformas relating to collection of Primary data from DA / IAs / User Agencies – to be filled by Nabcons study team</u> **				
III	District Authority (DA)	Role of District Authority in implementation, review & monitoring of MPLADS Works	To elicit overall information on sanction, implementation/ monitoring aspects	By way of interaction/ interviews with DA & concerned officials
IV	Implementing Agencies (IA)	Role of Implementing Agency in implementation, review & monitoring of works	To elicit overall information on implementation/ monitoring aspects	By way of interaction/ interviews with IAs concerned
IV(A)	User Agencies (UA)	Role of User Agency in maintaining the assets and making it useful for user community.	To elicit information on implementation/ maintenance aspects	By way of interaction/ interviews with UAs concerned
Proforma V with Table	Implementing Agencies (IA)	Physical verification of Sample MPLADS Works by Nabcons team	To verify the nature and quality of works / structures	This may be done with reference to the technical and financial estimates approved
Proforma VI with Table	User Community (UC)	Assessment of utility of works to the community	To assess the nature & quality of maintenance of the assets its durability and utility to the user community	Through interactions with the User agency, and user community etc.
Proforma VII	Nodal Department at State Government / UT	Role of Nodal Department in implementation, review & monitoring of MPLADS Works	To elicit overall information on sanction, implementation/ monitoring aspects	By way of interaction/ interviews with Nodal Department & concerned officials

Physical Verification of Works

2.8 The Nabcons Study Team physically verified the entire 1577 sample MPLADS works under different sectors by visiting the project sites in association with Implementing Agency. The verification was undertaken with reference to the work specifications given in the estimates approved, both technically and financially, by the competent authority. The details of the work estimates were obtained from the concerned DA/ Implementing Agencies by the Study Team, during their visits to the Agency's office.

2.9 For the purpose of field verification of assets created out of MPLADS funds, structured proforma were used, depending on the type of work undertaken. The following aspects were looked into while undertaking the field verification.

- Assess the actual cost of work, % of deviation, if any, in the financial cost in relation to sanctioned cost (If % deviation was > 15%, indicated the reasons therefore.)
- Assess the physical condition of the asset at time of visit in qualitative terms (Good/Satisfactory/Poor) in consultation with the user community.

Chapter – III

Best Practices of Implementation

3.1 This chapter highlights the best practices adopted by various agencies in the process of implementation of MPLAD Scheme. Best practices of State Nodal Department, District Authority, Implementing Agencies and User Agencies have been identified for each of the district, which contributed in better performance of the scheme in the district concerned. These have been identified based on the discussions held by the study team with these agencies as also the visit to the 1577 selected sample works.

3.2 Best practices adopted by the State Nodal Departments (SND) in various States of the districts where MPLADS studies were conducted are presented in Table 3.1.

Table 3.1: Best Practices of Implementation by State Nodal Department (SND)

Sr. No.	Best Practice	District of Study
1	State Review Meeting was held twice a year (instead of annually) in Gujarat and Tamil Nadu for greater focus in review of progress. Karnataka has started a similar proposal for bi-annual state review meetings.	Anand (Gujarat), Thiruannamalai (Tamil Nadu), Bangalore Urban (Karnataka)
2	SND is working on a proposal to include MPLADS as an agenda item in the Chief Minister's meeting with the Deputy Commissioners twice a year	Bangalore Urban (Karnataka)
3	Audits are done regularly and observations are given due consideration regularly for follow up action.	Lohit (Arunachal Pradesh), Hamirpur (Himachal Pradesh)
4	Training of district officials was being organized during 2006-07 four training programmes were organized in Uttar Pradesh. A state level programme was organized in August 2006 for training of DA officials for better implementation of MPLADS in Andhra Pradesh.	Agra (Uttar Pradesh), Karimnagar (Andhra Pradesh)
5	Division Level Review is done. Division Level Review is done quarterly for focused review of progress.	Rohtak (Haryana), Agra and Lucknow (Uttar Pradesh)

3.3 Best practices adopted by the District Authority (DA) in various states of the districts where MPLADS studies were conducted are presented in Table 3.2.

Table 3.2: Best Practices of Implementation by District Authority (DA)

Sr. No.	Best Practice	District of Study
1	Second installment was released by DA only after inspection of works by JE or EE for ascertaining satisfactory utilization of advance/ obtaining UC of advance/ obtaining compulsory photograph of the ongoing works.	Agra (Uttar Pradesh), Bangalore Urban (Karnataka), Lohit (Arunachal Pradesh), Raipur (Chhatisgarh), Nalanda (Bihar)
2	Audit objections are pursued with IA. To deal with complaints, DA has set up a Technical Audit Committee consisting of technical staff from PWD, RES, etc.	Agra (Uttar Pradesh)
3	Photographs of pre-project and ongoing project status are taken and preserved in Agra district. In case of Bangalore Urban district, each work is photographed thrice, i.e. before commencement of work, during implementation and after completion. In Shillong district, photographs are taken before and after project	Agra (Uttar Pradesh), Bangalore Urban (Karnataka), Shillong (Meghalaya)
4	Various stages of execution of work are video recorded if the work is of bigger outlay.	Bangalore Urban (Karnataka)
5	For each work, a “Template” is prepared giving all the details like the quantity, the quality to be maintained and the materials to be used as per the approved estimate. This also contains the dates of commencement and the completion. This ‘Template’ is distributed in the local area for the information of the people and their signatures are also taken. Any suggestions or objections by the people during the execution of works with reference to the details given in the Template are received in the office and monitored so as to attend to the suggestions/ objections etc.	Bangalore Urban (Karnataka)
6	DA has MP wise SB account in a nationalized bank and these are kept in <i>flexi-deposit type accounts</i> , which accrues higher interest rate instead of 3-4% in case of normal SB accounts.	Delhi
7	It is ensured that the MP participates in monthly review meetings, for better quality of review.	Hamirpur (Himachal Pradesh)
8	Cost details are furnished by MP in their recommendation letter in consultation with IAs in Haridwar district. In case of Thiruannamali district, they are based on estimates of the Department concerned, and in case of Ranchi district they were	Haridwar (Uttaranchal), Thiruannamalai (Tamil Nadu), Ranchi (Jharkhand)

	based on estimation through its Engineering wing. These innovations helped the MPs to submit the proposals faster and with realistic estimate.	
9	DA visits <i>all works</i> implemented by Societies/ Trusts/ NGOs for monitoring	Haridwar (Uttaranchal)
10	The entire data of assets created under the scheme has been computerized and maintained.	Karimnagar (Andhra Pradesh)
11	Emphasis on involvement of PRIs as Implementing Agencies and local community for supervision	Karimnagar (Andhra Pradesh)
12	The task of monitoring and quality check was distributed to the Magistrate cadre officers and they undertake regular visit, which has helped in better frequency of monitoring visits.	Nalanda (Bihar)
13	DA took up the inspection of the MPLADS works during their routine visits and <i>recorded</i> the observations in their <i>Inspection Notes</i> for corrective/ follow up action by IA	Thiruannamalai (Tamil Nadu)
14	Works were entrusted/ outsourced to <i>Kattada Maiyam</i> , a Registered Society, for data updating on the web site.	Thiruannamalai (Tamil Nadu)

3.4 Best practices adopted by the Implementing Agencies (IA) in various states of the districts where MPLADS studies were conducted are presented in Table 3.3.

Table 3.3: Best Practices of Implementation by Implementing Agencies (IA)

Sr. No.	Best Practice	District of Study
1	The IAs generally maintained separate files for each project under the scheme. Entries are also made in registers, etc.	Agra (Uttar Pradesh)
2	<p>The quality of the materials used in construction is ensured by IA through sample testing at Department's laboratory at district level as well as on site for Anand district.</p> <p>Quality and other tests required as per CPWD manuals are carried out during the execution of works in Delhi district.</p> <p>In Karimnagar district, the IAs had their own arrangements for quality control (QC) and the contractors' bills were not paid without the clearance from QC Section/Department of IA.</p> <p>IRC norms were followed for road and bridge construction in Lucknow district.</p>	Anand (Gujarat), Delhi (Delhi), Karimnagar (Andhra Pradesh), Lucknow (Uttar Pradesh), Nalanda (Bihar), Raipur (Chhatisgarh)

3	Decentralized supervision through volunteers : Volunteers for supervision of projects in rural areas were selected in the meeting of 'Palli Sabha' where the village level leaders selected the person to whom the work should be assigned for ground level supervision in Khurda district.	Khurda (Orissa), Raipur (Chhatisgarh)
4	Meghalaya, which does not have PRIs, has an alternative arrangement of civil society organization (Village Durbar) was formed for implementation of projects.	Shillong (Meghalaya)
5	Submitting photographs of cost above Rs. 5 lakh and WCR etc. to the DA in time	Anand (Gujarat)

3.5 Best practices adopted by the User Agencies (UA) in various states of the districts where MPLADS studies were conducted are presented in Table 3.4.

Table 3.4: Best Practices of Implementation by User Agencies (UA)

Sr. No.	Best Practice	District of Study
1	Outside parties (contractors) are also engaged by PRIs for maintenance of the assets viz. roads, water supply, sanitary works along with people's participation from the community in Anand district. In case of schools, colleges, hospitals, etc. annual maintenance was done by appointing maintenance agencies in Bangalore Urban districts	Anand (Gujarat), Bangalore Urban (Karnataka)
2	Advocates monitored building constructed in the Court premises, hence better quality of work (Betul district)	Betul (Madhya Pradesh)
3	Maintenance of assets was relatively better in case of assets where IA and UA were same.	Delhi district
4	In hospitals, special, unique and ultra-modern equipments were provided, which were of use to the patients.	Jodhpur (Rajasthan)

Chapter – IV

Salient Observations and Findings on Sample Works

4.1 This chapter highlights select positive observations and findings of the field study related to various aspects of the sample works covered for the study in 30 districts (Annexure II). The observations discussed here cover salient features of the implementation process, quality of assets, utility of assets, maintenance of assets and impact of works implemented under MPLAD scheme.

Basic Features of Samples Selected for the Study

4.2 The findings of the study are based on total 1577 number of sample works covered for intensive study in 30 districts of the country. Majority of the samples were covered from these sectors: Roads, Pathways & Bridges (32.7%), Other Public Facilities (20%), Education (20%), Health & Family Welfare (8%), followed by other sectors viz., Sanitation & Public Health (4.2%), Sports (4%), Irrigation (3.8%), Drinking Water Facility (3.2%), Electricity Facility (2.4%), Animal Care (0.4%) and Non-Conventional Energy Sources (0.1%) and Other Works (1.2%). District wise details of sectoral distribution of sample works are presented in Annexure-4.1.

General distribution pattern of sample works is presented as under :

4.3 Works in rural areas (55%), Works in SC area (14%), Works in ST area (9%), Works awarded to Societies, Trusts and NGOs (16%) and Works recommended by LS MPs (67%). District wise details of general distribution of sample works are presented in Annexure-4.2. The sample works covered for the study in 30 districts involved a financial cost of Rs. 15577 lakh. District wise details of financial cost are presented in Annexure-4.3.

4.4 Cost-category wise classification of sample works is presented as under :

Below Rs. 5.00 lakh (26%), Rs. 5.00 – 25.00 lakh (70%), above Rs. 25.00 lakh (4%). District wise details of cost classification of sample works is presented in Annexure-4.4.

Findings of the Sample Study

Pre-sanction Implementation Process

4.5 The District Authority (DA), before sanction of works to the Implementing Agencies (IA) *generally* took prior permission and clearance (for land use/ building construction/ environment/ forest, etc.) from the Department concerned, as per guidelines of the MPLAD scheme, although it entailed slight delay in sanction of works. DA took pre-sanction technical clearance in case of 80% of the sample works. Only Jorhat, Anand,

Hamirpur and Haridwar districts could not comply with the requirement of clearance (Table 4.1).

4.6 The User Agency, which undertakes upkeep and maintenance of assets created under MPLADS, was identified by the DA before sanction of works, in case of 67% of sample works (Table 4.1).

4.7 The IAs returned the unspent balance within 30 days of completion of work (as per guidelines of scheme) in case of 89% of the sample works (Table 4.1).

4.8 District wise details of the implementation process of MPLADS are presented in Annexure 4.5.

Table 4.1: Implementation Process of sample MPLADS Works under District Authority and Implementing Agencies in 30 Districts

Observation	Average (% Works)
Works for which clearance (land/ building/ environmental/ forest, etc.) was taken by District Authority	79.5
Works where User Agency was identified before sanction of works by District Authority	66.5
Works where unspent amount was returned by Implementing Agency to District Authority within 30 days of completion of work	89.3

Efficiency/Time Gap in Implementation

4.9 More than half (55%) of the works were sanctioned by DA within the norm of 45 days. Clearance from various Departments, estimation of costs/technical sanction, etc. consumed lot of time (Table 4.2).

4.10 Sixty percent sample works were completed within time limit of 365 days, as prescribed in scheme guidelines (Table 4.2).

4.11 On an average, Implementing Agencies took 394 days in completion and submission of Work Completion Report (WCR), which is marginally lower than the prescribed limit of 395 days (365 days for work completion and 30 days for submission of WCR) by IA (Table 4.2).

4.12 District wise details of the efficiency of implementation process of MPLADS works are presented in Annexure 4.6.

Table 4.2: Time Gap Analysis of Implementation of MPLADS Works under District Authority and Implementing Agencies in 30 Districts

Observation	Average
Percentage works which were sanctioned within 45 days of recommendation by MP	54.8
Percentage works which were completed within 365 days or the duration as specified in the sanction order of DA	59.5
Average time gap between date of financial Sanction by DA and date of Work Completion Report (WCR) submitted by IA (Number of days)	394

Quality and Utility of Assets

4.13 On an average, 88% of the sample works visited during field study were observed to be having good or satisfactory quality (in the perception of study team). Quality of assets was generally assessed in terms of physical existence of projects, visible features, years of existence, etc. Almost similar perception was held by the local user community also, as they rated 91% of the works as either good or satisfactory in terms of quality (Table 4.3).

4.14 District wise details of the rating of quality of sample MPLADS works are presented in Annexure 4.7.

Table 4.3: Quality of Works Implemented under MPLADS in 30 Districts

Observation	Average (% Works)
Works having 'good' or satisfactory rating of quality by Study Team	88.3
Works having 'good' or satisfactory rating of quality by User Community	90.9

4.15 On an average, 91% of the sample works were reported to be put to good or satisfactory use by the local user community. The user agencies, assigned by DA the task of upkeep and maintenance of assets created under MPLADS were also maintaining the assets fully/ partially in case of 64% of the sample works visited by the study team in 30 districts (Table 4.4).

4.16 In some cases, where User Agency could not be designated/ identified while sanctioning the works by DA, the local bodies like Gram Panchayat, local community, etc. volunteered to undertake the maintenance of such works.

4.17 District wise details of the utility and maintenance of sample MPLADS works are presented in Annexure 4.7.

Table 4.4: Utility and Maintenance of MPLADS Works in 30 Districts

Observation	Average (% Works)
Works where good or satisfactory use of assets was reported by local user community	90.8
Works in which 'maintenance being done / partially done was reported by local user community	63.7

Impact of Works

4.18 Most of the works implemented under MPLADS had positive impact on the local economy (business opportunities, trade, accessibility, irrigation to some extent, income, output, employment, etc.), social sector/ structure (health, sanitation, social amity, no social frictions, no encroachments for private use, etc.) and physical environment. There was no negative impact of the works created under MPLADS on physical environment.

4.19 On an average, 74% of the sample works had positive impact on the local economy, 86% had positive impact on social structure and 63% works had positive impact on physical environment (Table 4.5).

4.20 District wise details of the impact of MPLADS works are presented in Annexure 4.7.

Table 4.5: Impact of MPLADS Works in 30 Districts

Observation	Average (% Works)
Works having positive impact on local economy	74.3
Works having positive impact on social structure	86.2
Works having positive impact on physical environment	63.2

ANNEXURE I

State wise funds released and expenditure (utilization) under MPLADS (Rs. crore as on 31 May 2007)

Sl. No.	State/UTs	Cumulative Released/Expenditure (since inception)				
		Released by G.O.I.	Amount Sanctioned	Percent of Sanctioned Over Released	Expenditure Incurred	Percent of Utilization Over Released
1	Nominated	224.05	210.88	94.12	183.10	81.72
2	Andhra Pr.	1309.45	1283.61	98.03	1155.27	88.23
3	Arunachal Pr.	68.15	65.72	96.43	65.68	96.38
4	Assam	466.55	438.92	94.08	422.57	90.57
5	Bihar	1191.90	1056.32	88.62	978.92	82.13
6	Goa	60.15	61.37	102.03	54.37	90.39
7	Gujarat	779.35	768.46	98.60	695.56	89.25
8	Haryana	331.25	298.57	90.13	278.16	83.97
9	Himachal Pr.	152.30	139.86	91.83	130.18	85.48
10	J & K	182.80	176.38	96.49	148.23	81.09
11	Karnataka	849.00	827.82	97.50	781.62	92.06
12	Kerala	568.95	619.89	108.95	515.46	90.60
13	Madhya Pradesh	889.60	863.14	97.03	818.48	92.00
14	Maharashtra	1365.75	1429.43	104.66	1240.08	90.80
15	Manipur	68.15	61.01	89.52	55.96	82.11
16	Meghalaya	66.15	59.93	90.60	59.51	89.96
17	Mizoram	46.10	45.44	98.56	42.96	93.20
18	Nagaland	43.10	39.10	90.72	39.10	90.72
19	Orissa	680.00	630.55	92.73	576.76	84.82
20	Punjab	431.55	411.94	95.46	381.00	88.29
21	Rajasthan	753.25	751.42	99.76	705.49	93.66
22	Sikkim	46.10	44.73	97.03	39.61	85.93
23	Tamil Nadu	1272.35	1257.07	98.80	1210.75	95.16
24	Tripura	68.15	62.40	91.57	60.07	88.14
25	Uttar Pradesh	2421.20	2251.16	92.98	2122.50	87.66
26	West Bengal	1150.85	1111.58	96.59	1006.92	87.49

27	A & N Islands	21.05	19.47	92.49	19.47	92.49
28	Chandigarh	21.05	20.43	97.05	19.74	93.80
29	D & N Haveli	23.05	29.13	126.37	21.50	93.29
30	Daman & Diu	21.05	22.24	105.66	18.44	87.60
31	Delhi	183.00	177.70	97.11	150.82	82.42
32	Lakshdweep	17.05	17.34	101.71	14.63	85.79
33	Pondicherry	36.10	41.34	114.50	32.50	90.02
34	Chhattisgarh	331.65	311.35	93.88	297.24	89.62
35	Uttaranchal	161.25	153.64	95.28	140.98	87.43
36	Jharkhand	381.75	340.93	89.31	320.88	84.05

Annexure II
List of 30 Districts covered under MPLADS –Phase I Monitoring Study

Sl. No. (State)	State/UT	Sl. No. (District)	District
1	Andhra	1	East Godavari
		2	Karimnagar
2	Arunachal	3	Lohit
3	Assam	4	Jorhat
4	Bihar	5	Patna
		6	Nalanda
5	Chhatisgarh	7	Raipur
6	Delhi	8	Delhi
7	Gujarat	9	Anand
8	Himachal	10	Hamirpur
9	J&K	11	Jammu
10	Jharkhand	12	Ranchi
11	Karnataka	13	Bangalore Urban
12	Kerala	14	Allepey
13	Madhya Pradesh	15	Betul
14	Maharashtra	16	Aurangabad
		17	Wardha
15	Meghalaya	18	Shillong
16	Orissa	19	Khurda
17	Punjab-	20	Ludhiana (Pb)
18	Haryana-	21	Rohtak (Ha)
19	Chandigarh	22	Chandigarh (Chd)
20	Rajasthan	23	Jodhpur
21	Tamil Nadu	24	Thiribanamalai
22	Puducherry	25	Puducherry
23	Uttar Pradesh	26	Lucknow
		27	Agra
24	Uttarakhand	28	Haridwar
25	West Bengal	29	South 24-Parganas
		30	North 24-Parganas