

सांसद स्थानीय क्षेत्र विकास योजना
Member of Parliament Local Area Development Scheme



अनिल कुमार चौधरी
निदेशक

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GOVERNMENT OF INDIA

MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION

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D. O. No. C/13/2009-MPLADS

30th November, 2010

Dear

Please refer to my d.o. letter of even number dated 22nd November, 2010 regarding postponement of “**National Consultation on new/proposed Guidelines for MPLADS**”.

2. The National Consultation has now been rescheduled and will be held at **10:30 AM on 20th December, 2010 at Conference Hall No. 4 in Vigyan Bhawan, New Delhi** under the Chairmanship of Shri Sriprakash Jaiswal, Hon`ble Minister of State (IC) Coal and Statistics & Programme Implementation.
3. The Agenda for the conference will remain unchanged.

With regards,

Yours sincerely,

-Sd-

(A. K. Choudhary)

All Chief Secretaries of States/UTs

***National Consultation on
Proposed Shelf of Projects under
MPLADS***

and proposed changes in

Guidelines for MPLADS

20/12/2010

AGENDA PAPERS

MPLADS DIVISION

Ministry of Statistics & Programme Implementation

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BACKGROUND

The general public approach Members of Parliament (MPs) for provision of certain basic facilities including community infrastructure in their areas. Government of India considered the need for a mechanism to respond to such requests and decided to have a scheme to meet the felt needs of the people.

2. On 23rd December 1993 Prime Minister announced in the Parliament the Members of Parliament Local Area Development Scheme (MPLADS). Initially the MPLADS was under the control of the Ministry of Rural Development. The Guidelines were issued in February 1994, covering the concept, implementation and monitoring of the Scheme. The subject relating to the MPLADS was transferred to the Ministry of Statistics and Programme Implementation in October 1994. The Guidelines were periodically updated in December 1994, February 1997, September 1999, April 2002 and lastly in November, 2005. With the experience gained over a period of time and having considered the suggestions made by the Members of Parliament, in the inter active discussions taken by the Minister of State (Independent Charge) of the Ministry of Statistics and Programme Implementation; MPLADS Committees of the Parliament and suggestions received from various stakeholders, it was felt necessary to carry out a comprehensive revision of the Guidelines. An extensive exercise has now been taken to further revise the MPLADS Guidelines.

3. The 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. Right from inception of the Scheme, durable assets of national priorities viz. drinking water, primary education, public health, sanitation and roads, etc. are being created.

4. In 1993-94, when the Scheme was launched, an amount of Rs. 5 lakh per Member of Parliament was allotted which became Rupees one crore per annum from 1994-95 per MP constituency. This was stepped up to Rs. 2 crore from 1998-99. A demand has been made by Lok Sabha/Rajya Sabha MPs for enhancement of MPLADS fund from Rs. 2 crore to Rs. 5 crore per annum.

5. The Ministry of Statistics and Programme Implementation has been responsible for the policy formulation, release of funds and prescribing monitoring mechanism for effective implementation of the Scheme. A Department in the State or the Union

Territory (UT) is designated as the Nodal Department with the overall responsibility of supervision, monitoring and coordination of the MPLADS implementation with the districts and other Line Departments. The District Authorities report the status of MPLADS implementation to the Government of India and State Nodal Department. The District Authority gets the MPLADS implemented through Local Self Governments or through Government agencies. In some cases, the District Authority engages reputed Non Government Organizations (NGOs) for execution of MPLADS works.

Convergence of MPLADS with other Centrally Sponsored Schemes

Ministry of Rural Development (Mahatma Gandhi NREGA Division) has stated that as community infrastructure and public utility building works are permissible under MPLADS, the convergence of MPLADS is possible with Bharat Nirman Rajiv Gandhi Sewa Kendra (BNRGSK) under MGNREGA. The objective of BNRGSK is to provide space to facilitate the functioning of the MGNREGA office at the Gram Panchayat/Block levels and to function as Knowledge Resource Centre to facilitate citizens' access to information of MGNREGA and other rural development programme.

2. Earlier the matter was examined and convergence of MPLAD Scheme with MGNREGA Scheme was not allowed, as the objectives of the two schemes are quite divergent.

3. Ministry of Rural Development has requested this Ministry to reconsider the matter and allow utilization of MPLADS funds on the public utility building works taken up under MGNREGA Scheme in rural areas.

4. The construction of BNRGSK has been notified by Ministry of Rural Development as one of the permissible works under MGNREGA. The objective of the BNRGSK is to strengthen the infrastructure at the Gram Panchayat and the Block level to enable an efficient implementation of MGNREGA and to provide space for greater and more transparent interaction with the citizens. The Seva Kendras may also be utilized for the social purposes. The BNRGSK Manual prescribes the overall maximum cost of the GP level BNRGSK at Rs.10 lakh and the maximum overall cost of Block level BNRGSK at Rs.25 lakh under the MGNREGA budget.

5. As per MPLADS Guidelines, the construction of BNRGSK, which may be utilized for multifarious functions, is permissible work. It is understood that for construction of BNRGSK, the labour component would be paid from MGNREGA Scheme and the construction activity would be sourced from MPLAD Scheme.

6. As per para 3.17 of MPLADS Guidelines, the MPLAD Scheme can be converged with the Central and the State Government schemes provided the works to be done under convergence are permissible under MPLADS. The MPLADS Guidelines further stipulate that wherever such pooling is done, funds from other scheme sources should be used first and the MPLADS funds should be released later, so that MPLADS funds results in completion of the work.

7. Whether convergence of MPLAD Scheme with MGNREGA for construction of Sewa Kendra under BNRGSK which may be utilized for multifarious functions permissible under MPLAD Scheme? Under MPLAD Scheme, tendering is the norm whereas under MGNREGS it is not required. Further under MGNREGS, the Wage : Material ratio has to be maintained at 60:40 whereas under MPLADS there is no such stipulation. How convergence can take place needs deliberation.

8. Under the Computer Literacy And Studies in Schools (CLASS) component of the ICT Scheme of Ministry of HRD, the Union Government would provide 75% of financial assistance to State/UTs and the balance 25% of funds would be contributed by the State Governments/UTs. **The Scheme also provides for contribution of 25% of funds from the MPLAD Scheme in addition or as an alternative to State Government contribution.**

9. Computer (including components such as trainings, initial software, training material, furniture etc., under the condition that no recurring expenditure is met, and it is ensured that there is no duplication with the Under the Computer Literacy And Studies in Schools (CLASS) component of the ICT scheme of HRD Ministry for Central State/UT, Local Self Government and fully aided educational institutional.

New Provision for NGOs/Trusts

The Ministry has recently revised para 3.21 of the MPLADS Guidelines as under:-

Community infrastructure and public utility building works are also permissible for registered Societies/ Trusts under the Scheme, provided that the Society/ Trust is engaged in the social service/welfare activity and has been in existence for the preceding three years. The existence of the Society/Trust shall be reckoned from the date it started its activities in the field, or the date of registration under the relevant Registration Act, whichever is later. The beneficiary Society/Trust shall be a well established, public spirited, non profit making entity, enjoying a good reputation in the area. Whether such a society/trust is well reputed or not, should be decided by the District Authority concerned on the basis of relevant factors, like performance in the field of social service, welfare activities, non-profit orientation of its activities, transparency of its activities and sound financial position. The ownership of the land may remain with the Society/Trust, but the structure constructed with MPLADS funds shall be the property of State/UT Government. The Society/Trust shall undertake to operate, maintain and up keep at its cost the asset created under MPLADS. If at any time, it is found that the asset created with MPLADS funds is not being used for the purpose for which the asset was funded, the State/UT Government may take over the asset and proceed to recover from the Society/Trust, the cost incurred from MPLADS for the creation of asset along with interest at the rate of 18% per annum calculated with effect from the date of use of MPLADS fund for the works concurred. A formal agreement (a model agreement form is at Annex-V) will be executed by the Society/Trust with the District Authority in favour of the Government in advance for the purpose. This agreement will be registered under the relevant Registration Act on a non-judicial stamp paper of Rs.10 or more, as is applicable in the State/UT. No stamp duty would be required to be paid for registration as there is no formal transfer of assets. Not more than Rs.25 lakh can be spent from MPLADS fund for one or more works of a particular Society/Trust. If a Society has availed of the MPLADS funds up to Rs. 25 lakh, no more work can be recommended for that Society/Trust under the Scheme. The MPLADS funding is not permissible to a Society/Trust, if the recommending MP or any of his/her family members is the President/Chairman or Member of the Managing Committee or Trustee of the registered Society/Trust in question. Family members would include MP and MP's spouse which would comprise of their parents, brothers and sisters, children, grandchildren and their spouses and their in-laws. **MPs may ensure the spirit of Guidelines is maintained by avoiding**

circular or mutual funding of Trusts/Societies. Further, when funds are recommended towards a Society/Trust by a Member of Parliament and clarifications/documents as required under the Guidelines for scrutiny before sanctioning are requested by the District Authorities, the said Society/Trust should provide the requisite documents within a maximum period of three months from the date of receipt of the letter from the district administration. In case the documents are not received even after a period of three months, the district administration can send two reminders within a month. If the required information is still not received, the recommendation by the MP towards the Society/Trust may be treated as cancelled by the district administration and intimation of the same may be given to the recommending MP”.

A number of other Administrative Central Ministries of Government of India also engage reputed non-government organizations (NGOs) for execution/implementation of various schemes MOSPI will like to understand how the other Ministries like Rural Development, Health & Family Welfare, Human Resource Development, Tribal Affairs etc. involve the NGOs in the implementation process of their schemes, since NGO is involved in MPLAD Scheme both as an implementing agency and as user agency.

Reconciliation of Accounts

The matter relates to distribution of unreleased/unspent funds not committed for the eligible recommended works of the predecessor MP upto 14th Lok Sabha.

2. The delimitation of constituencies before the 15th Lok Sabha has brought about changes in the topography of many constituencies. Some of the constituencies of the 14th Lok Sabha have ceased to exist and new ones have been created in the 15th Lok Sabha. Even in the constituencies bearing the same name changes in varying degrees have occurred in their geographical areas. The Election Commission and the State Governments were approached to find a mechanism for the purpose of one-to-one linking of the 15th Lok Sabha constituencies with that of the 14th Lok Sabha constituencies. However, clear linkages could not be established.

3. The matter was also discussed in the various meetings taken by Hon'ble MOS (IC) S&PI with the Nodal Secretaries (MPLADS) of the State/UT Governments. Based on the discussions the following options were considered appropriate in the circumstances mentioned in para-1 above :-

- (i) In the case of States / UTs with single constituency such as Mizoram, Nagaland, Sikkim, A&N Islands, Chandigarh, D&N Haveli, Daman & Diu, Lakshadweep, Pondicherry, unspent funds could directly be passed on to successor MPs.
- (ii) In those States such as Assam, Arunachal Pradesh, Goa, Himachal Pradesh, Jammu & Kashmir, Meghalaya, Manipur and Tripura where there has been very small impact due to delimitation, uncommitted / unspent balance after the completion of all eligible / recommended works upto 14th Lok Sabha would be passed on to respective 15th Lok Sabha MP.
- (iii) In States where there has been significant impact of the delimitation, the uncommitted / unspent balance after the completion of all eligible / recommended works upto 14th Lok Sabha should be added up for whole of the States (all Lok Sabha Constituencies) and it should be equally divided among all seating MPs of the 15th Lok Sabha. This procedure is the same as being followed in the case of unspent / uncommitted funds available for Rajya Sabha Members.

4. The above mentioned options were conveyed to Lok Sabha Secretariat vide O.M. of even number dated 12.02.2010 for their comments. The Lok Sabha

Secretariat vide their O.M. No. 15/32/MPLADSC/2009-10 dated 05.04.2010 agreed to the proposal mentioned in para-3 above. Accordingly, a circular was issued on 10.05.2010 to all Nodal Secretaries/ Commissioners/DC/DM of all States/UTs with the request to complete the above mentioned exercise of distribution to 15th Lok Sabha MPs by 31st December, 2010.

5. As regards the unspent/uncommitted funds in the case of Rajya Sabha MPs, which is required to be distributed as per para 4.8 and 4.9 of the Guidelines of the MPLADS, it has been observed that a huge amount of unspent/uncommitted funds is still lying idle with the district authority. (Para 4.8 and 4.9 are repeated below for ready reference :

4.8. In respect of elected Members of Rajya Sabha, the balance of funds (funds not committed for the recommended and sanctioned works) left in the Nodal District by the predecessor Members in a particular State will be equally distributed by the State Government among the successor elected Rajya Sabha Members in that State.

However, the unspent balance of former Rajya Sabha MPs from 1993-94 to 2004-05, if not already distributed, will be equally distributed among the sitting Rajya Sabha Members of the States concerned.

4.9. The balance of funds (funds not committed for the recommended and sanctioned works) left by the nominated Members of Rajya Sabha in the Nodal District will be equally distributed amongst the successor nominated members of Rajya Sabha by the Government of India.

However, the unspent balance of former Nominated Rajya Sabha Members from 1993-94 to 2004-05, if not already distributed, will be equally distributed among the sitting Nominated Rajya Sabha Members.

6. Since the distribution of unspent/uncommitted funds of MPLADS has not been carried out on regular basis as per the provisions of the guidelines in number of states, the Ministry has requested C&AG for a special Audit through AGs in order to identify the funds lying with the district authorities and also ensure their distributions as per MOSPI's Guidelines in both the cases of Lok Sabha/Rajya Sabha.

7. The district authorities are requested to adhere to the provisions of Guidelines and implement the process of distribution of unspent balance as per para 4.7 of the MPLADS Guidelines and circular dated 10th May, 2010 in the case of Lok Sabha and in accordance with para 4.8 and 4.9 of MPLADS Guidelines and Circular No. C/16/2009-MPLADS dated 1st June, 2010 in the case of Rajya Sabha.

Changes proposed in the existing MPLADS guidelines

Provision of SC/ST			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
2.5	<p>Development of Areas inhabited by Scheduled Castes and Scheduled Tribes: There is a greater need to develop areas inhabited by Scheduled Castes (SCs) and Scheduled Tribes (STs). It is necessary that special attention is given for infrastructural development of such areas. The MPs are to recommend every year such works costing at least 15% of MPLADS fund for areas inhabited by Scheduled Caste population and 7.5% for areas inhabited by Scheduled Tribe population. In other words, permissible works costing not less than Rs. 30 lakh out of the annual allocation of Rs. 2 crore per MP shall be recommended for areas inhabited by SC population and Rs. 15 lakh for areas inhabited by ST population. In case, a constituency does not have ST inhabited area, such fund may be utilized in SC inhabited areas and vice-versa. It shall be the responsibility of the District Authority to enforce this provision of the Guidelines.</p>	<p>This view was sent by MOSPI to the Task Force on SC/ST of the Planning Commission. Members of Lok Sabha MPLADS Committee have also suggested outlay in accordance to the % of SC/ST population in the Constituency.</p> <p>Comments of the Ministry There is a greater need to develop areas inhabited by Scheduled Castes (SCs) and Scheduled Tribes (STs). It is necessary that special attention is given for infrastructural development of such areas. The requirement of funds for assets to be created for SC/STs vary from constituency to constituency. Accordingly funds from MPLADS will be spent in SC/ST areas broadly as under:-</p> <p>(a) In respect of those constituencies in which the percentage of SC/ST population is zero, the outlay of the MPLADS funds for the respective category would be kept as zero.</p> <p>(b) In those constituencies in which the SC population is less than 5%, there would be a floor ceiling i.e. minimum 5% of MPLADS funds would be used for the works to be done in the SC inhabited</p>	<p><i>Guidelines followed by the Ministry of Social Justice and the Ministry of Tribal Affairs may be compiled with in this regard.</i></p> <p><u>Lok Sabha Committee on MPLADS</u></p> <p>It was suggested that funds of SC/ST inhabited areas be recommended as per population in the constituency not fixed.</p> <p style="text-align: center;"><u>Tamilnadu</u></p> <p>During the tour of Lok Sabha Committee during May, 2010 the Government of Tamil Nadu suggested that the works in SC/ST inhabited areas should be as per the population in the constituency and not 15% for SC and 7.5% for ST.</p> <p style="text-align: center;"><u>West Bengal</u></p> <p>To ensure fund flow to SC/ST populated areas, the Ministry of Statistics & Programme Implementation may allot the fund for general/SC/ST constituencies keeping in mind that 7 Assembly Constituencies make up a Parliamentary Constituency. Census 2001 gives the data of SC/ST populated mouzas which could be consulted. There are 59 SC Assembly Constituencies and 17 ST Assembly Constituencies in West Bengal. While making allotment under</p>

		<p>areas.</p> <p>(c) In those constituencies in which the SC population is more than 5%, the funds reserved SC areas would be in proportion to the ratio of the SC population in that constituency.</p> <p>(d) The percentage of MPLADS funds to be spent on the works recommended for the tribal population in a constituency would be in proportion to the percentage of tribal population vis-a-vis the total population in that constituency.</p> <p>The area where the fund should be spent for the SCs in the Constituency should be democratically defined areas like Wards/Panchyats where the SC population is above the average of SC population in the Constituency, as these would be the pocket of higher concentration of SCs in the constituency. In case of STs, the tribal areas are declared under the Schedule VI in the constitution of India of the scheduled areas are declared under Schedule V in the constitution. Therefore, these areas can be considered for implementation of ST works.</p>	<p>BEUP funds are allocated in the ratio of 219:59:17 for General, SC and ST constituencies.</p>
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Maintenance of work			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
3.6	The District Authority should get in advance a firm commitment about the operation, upkeep and maintenance of the proposed asset from the User Agency concerned before the execution of the work is sanctioned.	The District Authority should get in advance a firm commitment about the operation, upkeep and maintenance of the proposed asset, accessibility of the general public to the asset, ensuring usage for the purpose for which the asset has been sanctioned, from the User Agency concerned before the execution of the work is sanctioned, as in Annexure-D.	<p style="text-align: center;">Haryana</p> <p>A large number of assets have been created under MPLADS. However, under the existing Guidelines, there is no provision for maintenance of the assets created. It is, therefore, suggested that some percentage of funds should be kept reserved for the community/ Government assets created under the scheme.</p>

Time-limit for sanction of works			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
Para No. 3.11	<p>All works for which recommendations are received in the office of the District Authority till the last date of the term of the MP are to be executed, provided these are as per norms and within the entitlement of MPLADS funds of the MP. Such works cannot be change by the MP even if the MP is reelected. It shall be the responsibility of the Nodal District Authority to scrutinize all such recommended works within 45 days of the last date of the term of office of the MP either to accord necessary sanction as per the Guidelines, or to intimate the outgoing/former MP about the rejection with reason.</p>	<p><i>All works for which recommendation are received and acknowledged in the office of the District Authority till the last date of the term of the MP are to be executed, provided these are as per norms and within the entitlement of MPLADS funds of the MP. Such works cannot be change by the MP even if the MP is reelected.</i> On receipt of the recommendation from the MP, the District Authority is to verify the eligibility and technical feasibility of each recommended works. All such eligible works should be sanctioned from 45 days to 75 days from the date of receipt of the recommendation, which may include the time required for technical feasibility, the site inspection, legal problems, requisite clearances etc. The District Authority shall however, inform regarding rejection of proposal within 45 days from the date of receipt of recommendation with reason to the MP</p>	<p><i>It was suggested to increase the timeframe for sanction of works/proposals recommended by Member from 45 days to 75 days which may include the time required for technical feasibility, site inspection, legal problems, requisite clearances etc. The District Authority shall however, inform regarding rejection of proposal within 45 days from the date of receipt of recommendation in the Office of District Authority.</i></p>

		concerned, the Government of India and State/UT Government.	
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Time limit			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
3.12	On receipt of the recommendation from the MP, the District Authority should verify the eligibility and technical feasibility of each recommended work. All such eligible works should be sanctioned within 45 days from the date of receipt of recommendation. In case of delay due to genuine reasons, a clarification for delay should be incorporated in the sanction letter. The same may be intimated to the MP and State/UT Government. If a recommended work is not eligible or not feasible, the District Authority shall intimate the same with reasons to the MP concerned, the Government of India and State/ UT Government.	<p>On receipt of the recommendation from the MP, the District Authority should verify the eligibility, technical feasibility, work site inspection report of the recommended work. Before sanctioning, the District Authority should also ensure that the land ownership is clear and all clearances for such works have been taken from the competent authorities. It should also be verified that the works are not being/have not been taken up under the District Plan or any other Scheme.</p> <p>If a recommended work is not eligible or even if eligible is not found feasible, the District Authority shall intimate the same with reasons to the MP concerned, the Government of India and State/ UT Government. All eligible works should be sanctioned within 75 days from the date of receipt of recommendation, which would include the time required for examining technical feasibility, doing site inspection, ensuring</p>	<p><i>To increase the timeframe for sanction of works/proposals recommended by Member from 45 days to 75 days which may include the time required for technical feasibility, site inspection, legal problems, requisite clearances etc. The District Authority shall however, inform regarding rejection of proposal within 45 days from the date of receipt of recommendation of the Office of District Authority.</i></p> <p style="text-align: center;"><u>All India Review Meeting</u></p> <p>This was the demand from various States/UTs during the All India Review Meeting of 6th August, 2010. Many districts have also give this feedback during training session and review meetings.</p>

		<p>whether the site is free from legal problems, obtaining requisite clearances, getting work inspection report, etc. In case of delay due to genuine reasons, a clarification for delay should be incorporated in the sanction letter. The same may be intimated to the MP and State/UT Government.</p> <p><u>Recent Change:</u></p> <p>The status of the recommendations should be reviewed in the Monthly Review meeting with the MP, which should be held atleast once in every quarter. The onus will rest with the District Authority to ensure this and it will be considered a violation of the guidelines if the meetings are not held even once in every quarter.</p>	
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Intimation to concerned PRI/Local body			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
3.13	<p>The sanction letter/order shall stipulate a time limit for completion of the work to the Implementation Agency. The time limit for completion of the works should generally not exceed one year. In exceptional cases, where the implementation time exceeds one year, specific reasons for the same shall be incorporated in the sanction letter/order. The sanction letter/order may also include a clause for suitable action against the Implementation Agency in the event of their failure to complete the work within the stipulated time as per the State Government Procedure. A copy of the sanction letter/order shall be sent to the MP concerned.</p>	<p>The sanction letter/order shall stipulate a time limit for completion of the work to the Implementation Agency. The time limit for completion of the works should generally not exceed one year. In exceptional cases, where the implementation time exceeds one year, specific reasons for the same shall be incorporated in the sanction letter/order. *For any MPLADS work involving an amount of more than Rs. one crore and/or having implementation time more than one year, quarterly action plan would be mandatory. The sanction letter/order may also include a clause for suitable action against the Implementation Agency in the event of their failure to complete the work within the stipulated time as per the State Government Procedure. A copy of the sanction letter/order shall be sent to the MP concerned.</p> <p><i>* This is the new line being added.</i></p>	<p><i>For any MPLADS work involving an amount of more than Rs. one crore and/or having implementation time more than one year, quarterly action plan should be made mandatory.</i></p>

Responsibility for sanctioning			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
3.14	<p>Decision making powers in regard to technical, financial and administrative sanctions to be accorded under the Scheme, vest in the district level functionaries. To facilitate quick implementation of projects under this Scheme, full powers should be delegated by the State/UT Governments to the district functionaries. The District Authorities will have full powers to get the works technically approved and financial estimates prepared by the competent district functionaries before according the final administrative sanction and approval. The District Authority should, before sanctioning the work, ensure that all clearances for such works have been taken from the competent authorities and the work conforms to the Guidelines.</p>	<p>Decision making powers in regard to technical, financial and administrative sanctions to be accorded under the Scheme, vest in the district level functionaries. To facilitate quick implementation of projects under this Scheme, full powers should be delegated by the State/UT Governments to the district functionaries. The District Authorities will have full powers to get the works technically approved and financial estimates prepared by the competent district functionaries before according the final administrative sanction and approval.</p> <p>The responsibility for sanctioning of recommendations not in accordance with the Guidelines would fall squarely on the sanctioning authority (District Collector/Deputy Commissioner/District Magistrate/Commissioner, as the case may be) and cannot be passed lower down.</p>	

Alteration/deviation in the already sanction work			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
3.15	<p>The work, once recommended by the MP and sanctioned by the District Authority may be cancelled if so desired by the MP only, if the execution of the work has not commenced and the cancellation does not lead to any contractual financial liability/ cost on the Government and also subject to Paragraph 3.11. If for some compelling, reasons, stoppage/abandonment of a work in progress becomes inevitable; the matter should be referred to the State Nodal Department with full justification for a decision under intimation to the Government of India and to the MP concerned.</p>	<p>There should generally be no deviation or alteration in the already sanctioned MPLADS works/projects. The work, once recommended by the present MP and sanctioned by the District Authority may be cancelled if so desired by the present MP only, if the execution of the work has not commenced and the cancellation does not lead to any contractual or financial liability/ cost on the Government and also subject to Paragraph 3.11. Work sanctioned on recommendation of Ex-MP cannot be cancelled by present MP. However, the works recommended by present MP/Ex-MP could also be dropped by District Authority, only if, it could not be commenced even after a lapse of considerable time due to various reasons. The matter should then be referred to the State Nodal Department with full justification for a decision under intimation to the Government of India and to the present MP/Ex-MP concerned. The District Authorities will take action as decided by State Nodal Authority. In case of any dispute/non-clarity, State Nodal Authority may refer</p>	<p><i>There should generally be no deviation or alteration in the already sanctioned MPLADS works/projects. The work could be dropped if it could not be commenced even after a lapse of considerable time due to various reasons.</i></p>

the case to MOSPI.

Provision to Trusts/Societies			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
3.21	<p>Community infrastructure and public utility building works are also permissible for registered Societies/Trusts under the Scheme, provided that the Society/ Trust is engaged in the social service/welfare activity and has been in existence for the preceding three years. The existence of the Society/Trust shall be reckoned from the date it started its activities in the field, or the date of registration under the relevant Registration Act, whichever is later. The beneficiary Society/Trust shall be a well established, public spirited, non profit making entity, enjoying a good reputation in the area. Whether such a society/trust is well reputed or not, should be decided by the District Authority concerned on the basis of relevant factors, like performance in the field of social service, welfare activities, non-profit orientation of its activities, transparency of its activities and sound financial position. The ownership of the land may remain with the Society/Trust, but the structure constructed with MPLADS funds shall be the property of State/UT Government. The Society/Trust shall undertake to operate, maintain and up keep at its cost the asset created under MPLADS. If at any time, it is found that the asset created with MPLADS funds is not being used for the purpose for which the asset was funded, the State/UT Government may take over the asset and proceed to recover from the Society/Trust, the cost</p>	<p>“Community infrastructure and public utility building works are also permissible for registered Societies/Trusts under the Scheme, provided that the Society/ Trust is engaged in the social service/welfare activity and has been in existence for the preceding three years. The existence of the Society/Trust shall be reckoned from the date it started its activities in the field, or the date of registration under the relevant Registration Act, whichever is later. The beneficiary Society/Trust shall be a well established, public spirited, non-profit making entity, enjoying a good reputation in the area. Whether such a society/trust is well reputed or not, should be decided by the District Authority concerned on the basis of relevant factors, like performance in the field of social service, welfare activities, non-profit orientation of its activities, transparency of its activities and sound financial position. The ownership of the land may remain with the Society/Trust, but the structure constructed with MPLADS funds shall be the property of State/UT Government. The Society/Trust shall undertake to operate, maintain and up keep at its cost the asset created under</p>	<p><i>It was suggested to scrap the ceiling of Rs.25 lakh for one or more works of a particular society/trust.</i></p> <p style="text-align: center;">Orissa</p> <p>The existing provision of MPLADS. Guidelines which prohibits MPLAD funding to Society/Trust where recommending MP or any of his/her family member is the member of the Society/Trust should be revised in order to prohibit MPLAD funding to a Society/Trust if any of the MP or his/her family member is the President/Chairman or Member of the MC or Trustee of the registered Society/Trust in question. Such provision will check fund swapping.</p> <p style="text-align: center;">West Bengal</p> <p>It is observed that the</p>

<p>incurred from MPLADS for the creation of asset along with interest at the rate of 18% per annum calculated with effect from the date of use of MPLADS fund for the works concurred. A formal agreement (a model agreement form is at Annex-V) will be executed by the Society/Trust with the District Authority in favour of the Government in advance for the purpose. This agreement will be registered under the relevant Registration Act on a non-judicial stamp paper of Rs.10 or more, as is applicable in the State/UT. No stamp duty would be required to be paid for registration as there is no formal transfer of assets. Not more than Rs.25 lakh can be spent from MPLADS fund for one or more works of a particular Society/Trust. If a Society has availed of the MPLADS funds up to Rs. 25 lakh, no more work can be recommended for that Society/Trust under the Scheme. The MPLADS funding is not permissible to a Society/Trust, if the recommending MP or any of his/her family members is the President/Chairman or Member of the Managing Committee or Trustee of the registered Society/Trust in question. Family members would include MP and MP's spouse which would comprise of their parents, brothers and sisters, children, grandchildren and their spouses and their in-laws.</p>	<p>MPLADS. If at any time, it is found that the asset created with MPLADS funds is not being used for the purpose for which the asset was funded, the State/UT Government may take over the asset and proceed to recover from the Society/Trust, the cost incurred from MPLADS for the creation of asset along with interest at the rate of 18% per annum calculated with effect from the date of use of MPLADS fund for the works concurred. Further, the Society/Trust would be blacklisted/debarred from getting any government funds. A formal agreement (a model agreement form is at Annex-V) will be executed by the Society/Trust with the District Authority in favour of the Government in advance for the purpose. This agreement will be registered under the relevant Registration Act on a non-judicial stamp paper of Rs.10 or more, as is applicable in the State/UT. No stamp duty would be required to be paid for registration as there is no formal transfer of assets. Not more than Rs.25 lakh can be spent from MPLADS fund for one or more works of a particular Society/Trust. If a Society has availed of the MPLADS funds up to Rs. 25 lakh, no more work can be recommended for that Society/Trust under the Scheme. The MPLADS funding is not permissible to a Society/Trust, if the recommending MP or any of his/her family members is the President/Chairman or Member of the Managing Committee or Trustee of the registered Society/Trust in question. Family members would include MP and MP's spouse which would comprise of their parents, brothers and sisters, children, grandchildren and their spouses</p>	<p>main defaulters for submission of UCs are the NGOs/Schools. Many of the districts are losing out in getting funds under MPLAD Scheme at the appropriate time for non submission of UCs by these agencies. Whether representatives of Hon'ble MPs may help in persuading these agencies for submission of UCs on time?</p> <p style="text-align: center;">Andhra Pradesh</p> <p>The Government of Andhra Pradesh, Planning Department has suggested the following additional points with regard to Societies/Trusts :-</p> <ul style="list-style-type: none"> ▪ The Society / Trust shall give a declaration that the land and immovable property offered by it for executing the development work is free from any encumbrances, litigation and not attracted by ceiling lands. ▪ The Society / Trust shall ensure that durable assets created out of MPLAD fund shall be
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and their in-laws.

Recently Added

MPs may ensure the spirit of Guidelines is maintained by avoiding circular or mutual funding of Trusts/Societies. Further, when funds are recommended towards a Society/Trust by a Member of Parliament and clarifications/documents as required under the Guidelines for scrutiny before sanctioning are requested by the District Authorities, the said Society/Trust should provide the requisite documents within a maximum period of three months from the date of receipt of the letter from the district administration. In case the documents are not received even after a period of three months, the district administration can send two reminders within a month. If the required information is still not received, the recommendation by the MP towards the Society/Trust may be treated as cancelled by the district administration and intimation of the same may be given to the recommending MP”.

The ceiling for recommending public utility building assets for trusts/societies is Rs. 37.50 lakh instead of the stipulated Rs. 25 lakh, under the following conditions :-

(i) The additional fund of Rs.12.50 lakh would be permitted only for undertaking community utility building works for primarily

available for the use of or by the General Public. Otherwise, the asset will be taken over by the District Authority after issuing a notice to the Society / Trust and recover the cost of investment from the Society / Trust.

- The District Authority shall inevitably inspect the assets created for Society / Trusts annually to prevent the misuse of the assets up to five years from the creation of the Assets. In case of misuse of asset, the same can be taken over by the District Authority, as per MOU.
- The Society / Trust shall submit to the District Authority annual report and its audit accounts on regular basis and within (90) days of the end of a financial year.
- The Society / Trust shall submit the Income Tax Returns for the **last 3 years** and audit report certified by the Chartered

		<p>the benefit of tribal people exclusively in the notified tribal CD Blocks with more than 50% tribal population.</p> <p>(ii) The works undertaken and the beneficiary Trust/Society should otherwise satisfy all other conditions of the MPLADS Guidelines.</p> <p><u>Other additions proposed :-</u></p> <ul style="list-style-type: none"> ❖ The beneficiary Society/Trust should be strictly non-commercial in character, should propose to operate the asset either free or with token charges. Self-financing educational and health institutions, which run on commercial lines and have a commercial fee structure different from the Government, should not be considered. ❖ The land should be in the name of the Society/Trust and not in the name of any Member or Chairman of the Society/Trust or any other private person. ❖ An MP can recommend works only upto Rs. 50 lakh in a financial year from MPLADS funds for works relating to Societies/ Trusts. ❖ When an NGO is itself acting as Implementing Agency/contractors for MPALDS works on its own 	<p>Accountant before sanctioning the works.</p> <ul style="list-style-type: none"> ▪ It shall be the responsibility of the Society / Trust to pay utility charges to local authorities like property tax, water cess, and electricity charges provided to the asset. ▪ The asset shall be managed by the Society / Trust itself and under any circumstances, it cannot be outsourced to any other agency.
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land then the District Authority will perform check of the work at the work site at the following stages :-

- At the time of estimates
- Plinth Level
- Linter/Roof Level and
- Finishing Level/ completion.

- ❖ The Society / Trust shall give a declaration that the land and immovable property offered by it for executing the development work is free from any encumbrances, litigation and not attracted by ceiling lands.
- ❖ The Society / Trust shall ensure that durable assets created out of MPLAD fund shall be available for the use of or by the General Public. Otherwise, the asset will be taken over by the District Authority after issuing a notice to the Society / Trust and recover the cost of investment from the Society / Trust.
- ❖ The District Authority shall inevitably inspect the assets created for Society / Trusts annually to prevent the misuse of the assets up to five years from the creation of the Assets. In case of misuse of asset, the same can be taken over by the District Authority, as per MOU.
- ❖ The Society / Trust shall submit to the District Authority annual report and its audit accounts on regular basis and within (90) days of the end of a financial year.
- ❖ The Society / Trust shall submit the Income Tax Returns for the last 3 years and audit report certified by the Chartered Accountant before sanctioning the works.
- ❖ It shall be the responsibility of the Society / Trust to

		<p>pay utility charges to local authorities like property tax, water cess, and electricity charges provided to the asset.</p> <p>❖ The asset shall be managed by the Society / Trust itself and under any circumstances, it cannot be outsourced to any other agency.</p>	
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Dissemination of information			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
3.23	List of all completed and ongoing works with MPLADS funds should also be displayed at the District Authority Office and posted in the website for information of the general public.	<p>List of all works with updated and accurate physical and financial status and total cost be posted on the website for information for the public and will also be publicised through hand bills in the project vicinity, as well as projects above 5 lakh will be displayed at DC office.</p> <p>The Ministry of Statistics and PI will make full use of Online Monthly Progress Reporting System (OMPRS), a dynamic mechanism envisaged to make available more disaggregated level information and to enable faster release of funds.</p>	<i>It was suggested that there is need <u>to revamp online monitoring of MPLADS works.</u></i>

Release of installment			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
4.15	<p>The District Authority may release advance up to 50% of the estimated amount of a sanctioned work to an Implementing Agency. 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.</p>	<p>The District Authority may release advance/first installment upto 75% of the estimated amount of a sanctioned work to an implementing agency, if the work is a general work and if the user agency as well as the implementing agency are government bodies. Once the first installment is utilized, and the requisite physical and financial progress ascertained, the final installment of 25% may be released.</p> <p>In case of works below Rs. 1 lac and for equipment/ambulances for Government, the entire amount can be released in a single installment.</p> <p>However, in case of works where the either the user agency or the implementing agency are other than government/government agencies, the district authority may release upto 50% of the sanctioned amount as advance/first instalment and the final instalment of 50% may be released on utilization of 60% of the first instalment.</p>	<p><i>It was suggested the norms followed by State Government/UT Administration in this regard with the proviso that there should be sufficient flexibility in release of advance keeping in view the nature of work/contract involved.</i></p> <p style="text-align: center;">Madhya Pradesh</p> <p>It is suggested that provision of 50% sharing of fund with the private organization/ trust be made. As per MPLADS Guidelines, for small works, funds may be sanctioned in one installment to complete the work.</p>

Contingency expenses			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
4.17	<p>Contingency Expenses: The District Authority can utilize up to 0.5% of the amount spent on completed projects in a year under MPLADS as 'contingency expenses' on the items like (i) Purchase of Stationery; (ii) Office equipment including computer (excluding laptop); (iii) Telephone/fax charges, postal charges; and (iv) Expenses incurred (a) to make MPLADS works monitoring software operational and (b) to get the audit certificate and audit of the accounts. This amount must not be used for meeting the cost of items like (a) Purchase of any type for office furniture; vehicles; air-conditioners, refrigerators etc. and (b) Renovation and maintenance of office building. A separate account for such expenditure incurred during a year under MPLAD Scheme shall be maintained and MP concerned shall be kept informed besides making available the details for scrutiny by audit.</p>	<p>There are 2 options:-</p> <p>Option 1: The District Authority can utilize up 1% - Rs. 2 lakh per annum per constituency that is Rs. 16,666 per month which would be insufficient to meet to stated objectives, 2% - Rs. 4 lakh/p.a. per constituency that is Rs. 33,333/- per month is meet to stated objectives to 2% of the amount spent on completed projects in a year under MPLADS as 'contingency expenses' on the items (i) for hiring one person on contract basis at Nodal District for handling accounts and data entry etc., (ii) for creating awareness among the public about the Scheme and for dissemination of information of ongoing and completed works, (iii) outsourcing of preparation of technical estimates (when becoming necessary for technical projects or for any other reasons), (iv) camera/video recording of the projects before, during and after</p>	<p><i>It was suggested that the District Authority can utilize up to 1% of the amount spent on completed projects in a year under MPLADS as 'contingency expenses' on the items (i) for hiring one person on contract basis at Nodal District for handling accounts and data entry etc., (ii) for creating awareness among the public about the Scheme and for dissemination of information of ongoing and completed works, (iii) third party inspection for quality check, (iv) outsourcing of preparation of technical estimates (if necessary), (v) camera/video recording of the projects before, during and after execution/completion of the work and (vi) to give some percentage of contingency expenses to the State Nodal Departments for third party inspection, monitoring of works and for holding of</i></p>

execution/completion of the work and (v) to give some percentage of contingency expenses to the State Nodal Departments for third party inspection for quality check monitoring of works and for holding of meetings of the Monitoring committees at the State level. (vi) Purchase of Stationery; (vii) Office equipment including computer hardware /software for MPLADS planning/monitoring (excluding laptop); (viii) Telephone/fax charges, postal charges; (ix) Expenses incurred (a) to make MPLADS works monitoring software operational and (b) to get the audit certificate and audit of the accounts and (x) a small percentage to be given to Nodal Districts for preparation of Audit Certificate and other administrative expenses.

This amount must not be used for meeting the cost of items like (a) Purchase of any type for office furniture; vehicles; air-conditioners, refrigerators etc. and (b) Renovation and maintenance of office building. A separate account for expenditure incurred during a year under MPLAD Scheme shall be maintained and MP concerned shall be kept informed besides making available the details for scrutiny by audit.

Option -2: The Central Government on the basis of requirement will keep in consultation with Planning Commission/ Department of Expenditure and in anticipation of an EFC adequate funds to meet administrative expenses for (a) Central Secretariat Government of India

meetings of the Monitoring committees at the State level.

Rajasthan

The District authorities are empowered to utilize up to 0.5% of the amount spent on completed projects in a year under MPLADS as contingency expense on certain items. But our experience is that Hon'ble M.P. does not want part with even 0.5% amount for contingency expenses. It will therefore be better if the provision for contingency expense is made over and above the admissible amount under MPLADS. A provision of at least 5% would be required to meet the administrative expenses on monitoring, inspections, reviews for ensuring effective implementation.

Assam

The Guidelines under para 4.17 should also include the Expenses for Monitoring & Review at the States/UTs level amounting to Rs. 5.00 lakh annually as a lump sum amount.

Karnataka

Many of the DCs are of the opinion that this amount is insufficient. Therefore, this may be raised from 0.5% to 1% so as to meet all the above expenses after a realistic assessment of the current costs on a recurring basis.

(MOSPI).
(b) State Nodal Authority and
(c) District Authority.

This will, if approved, by Planning Commission/ Department of Expenditure in anticipation of EFC, be over and above to 2 crore outlay per year per MP.

Further, to ensure quality in execution of work, a social and technical audit through a third party, a qualified agency is required. Therefore, an amount of upto 1% may be earmarked from MPLAD funds for social and technical audit.

The MPLAD funds are directly released to the DCs. The nodal department in the States/UTs government needs to monitor the progress and spending with GOI in conducting reviews etc. The GOI has authorized the officers not below the rank of Deputy Secretary/Executive Engineer of States/UTs Government in the Guidelines to inspect MPLAD works. For conducting States/UTs Level reviews and inspections no separate amount is provided by the States/UTs Governments. Therefore GOI may consider providing a lump-sum provision of Rs. 5.00 lakhs each year to meet the recurring expenditure

West Bengal

Contingency expenditure needs to be increased to take care of the contractual pay of the personnel indicated in para 4 & 5 above. This cost will be in addition to 0.5% given for meeting contingencies.

For office infrastructure, one Computer may be given to each of the sanctioning authority.

Contingency expenditure may cover cost of maintenance of assets created under MPLAD Scheme.

Orissa

As 0.5% Contingency provided under MPLAD Scheme is not sufficient to meet the expenses, the contingency amount be enhanced to 1% under the Scheme and it should be made untied for better monitoring of the Scheme.

Utilization of Contingency be allowed for POL for the purpose of supervision of the works under MPLAD Scheme.

Meghalaya

The contingency expenditure of 0.5% may be enhanced to 2% so as to meet the expenditure incurred towards payment of honorarium to the person dealing with the uploading/ updating of data, purchase of computers, other office expenditure and field monitoring.

Bhopal

Provision of 0.25% be made at States/UTs level form Nodal district to meet the unforeseen expenditure. This amount may be made available at the level of Commissioner, Economics and Statistics, Madhya Pradesh, Bhopal.

Bhopal

Contingency fund 0.50% as admissible in the Guidelines may also be made available for purchase of diesel/petrol for vehicle being used for monitoring

			<p>purpose.</p> <p>It is suggested to increase the Contingency expenditure from the existing 0.5% to 1% of the amount spent on completed projects in a year under the Scheme. The sub-Committee also recommended that apart from the existing items mentioned in para 4.17 of the MPLADS Guidelines, the expenditure may also be incurred (i) for hiring one person on contract basis at Nodal District for handling accounts and data entry etc., (ii) for creating awareness among the general public about the Scheme and for dissemination of information of ongoing and completed works, (iii) third party inspection for quality check, (iv) outsourcing of preparation of technical estimates (if necessary), (v) camera/video recording of the projects before, during and after execution/completion of the work and (vi) to give some percentage of contingency expenses to the State Nodal Departments for third party inspection, monitoring of works and for holding of meetings of the Monitoring committees at the State level.</p>
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Review by District Authority			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
Para No. 6.4	<p>Role of the District Authority:- The District Authority's role has been outlined in different paragraphs of the Guidelines. Here the District Authority's role on coordination and supervision is being indicated.</p> <p>(i) The District Authority would be responsible for overall coordination and supervision of the works under the scheme at the district level, and inspect at least 10% of the works under implementation every year. The District Authority should involve the MPs in the inspections of project to the extent feasible.</p>	<p>Role of the District Authority:- The District Authority's role has been outlined in different paragraphs of the Guidelines. Here the District Authority's role on coordination and supervision is being indicated.</p> <p>The District Authority would be responsible for overall coordination and supervision of the works under the scheme at the district level, and inspect at least 10% of the works under implementation every year. The District Authority should involve the MPs in the inspections of project to the extent feasible. *The District Authority shall carry out the review of MPLADS work on a quarterly basis.</p> <p><i>* This is the addition now proposed in the Guidelines</i></p> <p>In addition to above points, the following points can also be added:-</p> <ul style="list-style-type: none"> ❖ The district authority shall inspect each work before, during and after 	<p><i>It was suggested that the District Authority's role has been outlined in different paragraphs of the Guidelines. Here the District Authority's role on coordination and supervision is being indicated.</i></p> <p><i>The District Authority would be responsible for overall coordination and supervision of the works under the scheme at the district level, and inspect at least 10% of the works under implementation every year. The District Authority should involve the MPs in the inspections of project to the extent feasible. The District Authority shall carry out the review of MPLADS work on a quarterly basis instead of monthly basis.</i></p>

the execution of the work, and ensure photographs of the work are taken

- ❖ The district authority may before sanctioning and while handing over the asset to the user agency, may take a written commitment from them for proper use, upkeep and maintenance of the asset.

- ❖ The district authority may inform the local community in the vicinity of the work, through handbills, templates etc. and may also conduct social audits of a sample of MPLADS works once in each year.

- ❖ The District Authority shall also sensitize the general public about the utility and benefits of the scheme and disseminate information on the assets created/ works done under the scheme, by distribution of handbills/ pamphlets, inserting advertisements in Local Dailies, hoardings etc.

- ❖ The District Authorities may review the recommendations and progress of works with the MPs in the

		Monthly review meetings, which should be held atleast once in every quarter. Onus will be on the district authority to convene the meeting.	
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Third Party Inspection

Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
New Para	NIL	New Para <i>If this para is approved, then Third Party inspection would be added as one of the stated area in para 4.17 Of the Guideline. The MPLADS works should be subjected to inspection by the Third Party to be appointed by the State Government/UT Administration concerned based on 2% sample of completed works in a financial year. The expenditure to be incurred for inspection by the Third Party shall be met from the contingency expenses as deliberated in para 4.17.</i>	<i>It was suggested that the MPLADS works should be subjected to inspection by the Third Party to be appointed by the State Government/UT Administration concerned on the basis of robust sample of completed works in a financial year. The expenditure to be incurred for inspection by the Third Party shall be met from the contingency expenses as deliberated in para 4.17.</i>

Shelf of Projects			
Para.	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
New Para	Nil	<p><u>Option -1:</u> The District Authority shall make available to Members a" Shelf of Projects" including projects for SC/ST inhabited areas. The Shelf of Projects should be suggestive only and not prescriptive so that it provides flexibility to the MP to go beyond the list in order to meet the expectation of the people.</p> <p><u>Option -2:</u> The availability of Self of Projects may inhibit the freedom of MPs by DCs indirectly directing MPs towards Self of Projects. Hence, no need to amend Guidelines.</p>	<p><i>It is suggested to make available to Members a" Shelf of Projects" including projects for SC/ST inhabited areas, prepared by the District Planning Committee as per requirements of PRIs/Gram Sabha/Urban Local Bodies to select work there from. The Shelf of Projects should be suggestive only and not prescriptive so that it provides flexibility to the MP to go beyond the list in order to meet the expectation of the people.</i></p> <p style="text-align: center;">West Bengal</p> <p>It is submitted that the scheme recommended by the Hon'ble MPs under MPLADS should fit in the overall District Planning for integrated development of the district. The DMs who are the Secretaries of DPCs and the Hon'ble MPs may have consultation to identify the required schemes for the districts under MPLAD Scheme.</p> <p style="text-align: center;"><u>All India Review Meeting</u></p>

			<p>The issue of making available a shelf of projects was discussed with all States/UTs in the All India Review Meeting of 06.08.2010. There was a unanimous agreement that it should be brought in the Guidelines.</p>
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Ambulances for Trust/Society			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY
New Para	Prohibited as per item 8 of Annexure-II of Guidelines	<p>This is in addition to the existing provision at annexure-II of the Guidelines.</p> <p>Ambulances will be allowed to be purchased by District Authority/CMO of District to be run as Government Ambulance Services either directly or through a general management contract through reputed NGOs/Trusts through a transparent process. The ownership of the Ambulances will remain with District Authority/CMO but all recurring expenses including Driver, POL, maintenance etc. will be met by the Trust/NGO for which the later will charge a minimum fee which will be fixed by District Authorities on yearly maintenance contract.</p>	<p><i>It was suggested that the Ambulances may be provided to Local Panchayat, Organizations and Trust/Society etc. who possesses strong financial position to maintain & run them in the interest of common public. The eligibility for ambulances should preferably be for rural areas and in case of urban areas, due diligence process should be followed to ensure bona fides of the Trusts/Societies involved by the District Authority.</i></p>

Inclusion of Ambulance for Government Ambulance Services (In Annexure-II)			
Para	EXISTING PROVISION	PROPOSED BY MINISTRY	SUGGESTED BY

<p>Annexure-II List of works prohibited under the MPLADS</p>	<p>Purchase of all moveable items except vehicles, earthmovers, and equipments meant for hospital, educational, sports, drinking water and sanitation purposes belonging to Central, State, UT and Local Self Governments.</p>	<p>Purchase of all movable items, except</p> <p>(a) Medical equipments, mobile dispensaries/ambulances and Government Ambulance Services for Central, State/UT, Local Self Government Hospitals.</p> <p>(b) Computers (including components such as training, initial software, training material, furniture etc., under the condition that no recurring expenditure is met, and it is ensured that there is no duplication with CLASS component of the ICT scheme of HRD Ministry) for Central, State/UT, Local Self Government and fully aided educational institutions and Libraries.</p> <p>(c) Trucks/Dumpers and Handcarts /trolleys for sanitation purpose for Central, State/UT, Local Self Governments. These can also be management Contracts on the lines of Ambulances/Hearses.</p> <p>(d) Motorboat under Central, State/UT, Local Self Governments for flood/cyclone prone areas.</p>	<p>The inclusion of ambulance for Government Ambulance Services was unanimously agreed to by all States/UTs in the All India Review Meeting of 6th August, 2010.</p>
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PROPOSED SHELF OF PROJECTS

I. DRINKING WATER FACILITY FOR COMMUNITY:

1. Tube wells
2. Water tanks
3. Hand pumps
4. Water tankers to Govt. Agencies
5. Piped Drinking Water Supply
6. Other works for providing drinking water facilities
7. Rain Water Harvesting

II. EDUCATION

1. Building for Government educational institutions
2. Buildings for Government aided and unaided educational institutions
3. Computers for Govt. and Govt. aided educational institutions
4. Other projects for educational institutions
5. Sports facilities and Stadia in Govt. and Govt. aided educational institutions.

III. ELECTRICITY FACILITY

1. Projects for lighting of public streets and places
2. Projects of Govt. Agencies for improvement of electricity distribution infrastructure , not including transformers.

IV. HEALTH AND FAMILY WELFARE

1. Buildings for hospitals, family welfare centers, public health care centers, ANM centers
2. Procurement of hospital equipments for Govt.

hospitals and dispensaries.

3. Ambulances for Government and local bodies
4. Mobile dispensaries for govt. agencies/organisations
5. Crèches and Anganwadies

6. Other health and family welfare projects

V. IRRIGATION FACILITIES

1. Construction of minor public irrigation facilities
2. Construction of minor flood control embankments
3. Public Lift irrigation projects
4. Public ground water recharging facilities
5. Other public irrigation projects

VI. NON-CONVENTIONAL ENERGY SOURCES

1. Community Gobar-gas plant
2. Non-conventional energy system/devices for Community use

VII. OTHER PUBLIC FACILITIES

1. Construction of community centers
2. Construction of common shelters for old and handicapped
3. Construction of public libraries & reading rooms

4. Crematoriums and structures on burial/cremation ground
5. Common work sheds for artisans
6. Construction of bus-sheds/stops for public Transport passengers
7. Buildings for cultural activities
8. Purchase of motor boats for flood and cyclone prone areas (not for individuals) to be kept with Local Bodies or with District Administration.
9. Boundary walls for buildings permissible in the scheme
10. Public parks
11. Hearse Vans
12. Battery operated buses for Govt. agencies
13. Fire tenders for Government organisations
14. Other public works not covered elsewhere

VIII. ROADS, PATHWAYS AND BRIDGES

1. Construction of minor roads, approach roads, link roads, pathways
2. Construction of foot paths
3. Construction of culverts and bridges
4. Level crossing at unmanned railway crossing

IX. SANITATION AND PUBLIC HEALTH

1. Drains and gutters for public drainage
2. Public toilets and bathrooms
3. Garbage collection and night soil disposal Systems, earth movers including vehicles for local bodies
4. Other works for sanitation and public health

X. SPORTS

1. Buildings for sports activities/ Stadia

2. Buildings for physical training institutions
3. Buildings for multi-gym
4. Fixed (immovable) sports equipment
5. Multi gym equipments
6. Other public works for sports activities

XI. ANIMAL CARE

1. Building for veterinary aid centers, artificial insemination centers & breeding centers
2. Shelters for animals

Conditions for recommendation of public utility building assets to reputed non-profit service-oriented Trusts/Societies

Nature of the organisation and period of its operation

- ❖ The service organisation should be a registered Society/Trust, engaged in purely social service/public welfare activity.
- ❖ It should be in existence for atleast the preceding **five** years. The existence of the Society/Trust shall be reckoned from the date it started its activities in the field, or the date of registration under the relevant Registration Act, whichever is later.
- ❖ The renewal of the registration of the service organisation should not be on a year-to-year basis.

Public spirited, non-profit orientation

- ❖ The organisation should a service-oriented non-profit making entity, engaged in social welfare activities for the general public, in a truly altruistic manner.
- ❖ It should be strictly non-profit/non-commercial in character. It should propose to operate the asset either free or token charges in a rational manner.
- ❖ Self-financing educational and health institutions, running on commercial basis, should not be considered. For any partly or un-aided educational or health institution to be considered, apart from Registered Trust/Society which is running the institution satisfying other conditions, the institution should also fulfill the following –
 - They should be recognized by the Government
 - They should have fee patterns which are non commercial and similar to Government institutions.
- ❖ No part of the income or property, or profit or income of the organization should directly or indirectly benefit the founder, trustee, relative of the founder or trustee/member or a person who has contributed to the organization in a financial year. The income should be used only for promoting the service/welfare objectives of the organization.

Accounts and transparency of operation

- ❖ Audit and accounts of the last five years should be examined.

- ❖ All relevant documents, including the yearly audits and accounts should be examined to see whether they are in order and there are no adverse observations from any Governmental (such as Income Tax Department, Welfare Department etc.) or other sources.

Land

- ❖ The land should be in the name of the organisation only and not in the name of an individual/trustee/Chairman or a private party.

- ❖ Formal agreement and relinquishment certificate in respect of the land, in favour of the government has to be obtained from the beneficiary organization. The ownership of such assets created would vest with the government.

Accessibility of Assets

- ❖ Commitment should be obtained that the proposed asset should be open and accessible to all without distinction or discrimination. The proposed asset should not have been recommended only for the use of a specific community or for members of any specific club/association/society etc.

- ❖ Accessibility to the general public should not also be denied due to affordability of fees, etc.

Ceiling and other conditions

- ❖ If a Society has availed of the MPLADS funds up to Rs. 25 lakh, no more work can be recommended for that Society/Trust under the Scheme (*i.e. a Society/ Trust can receive only Rs. 25 lakh in the life time of the Scheme.*). However, the ceiling is Rs. 37.50 lakh instead of the stipulated Rs. 25 lakh, under the following conditions :-
 - (i) The additional fund of Rs.12.50 lakh would be permitted only for undertaking community utility building works for primarily the benefit of tribal people exclusively in the notified tribal CD Blocks with more than 50% tribal population.
 - (ii) The works undertaken and the beneficiary Trust/Society should otherwise satisfy all other conditions of the MPLADS Guidelines.

- ❖ The MPLADS funding is not permissible to a Society/Trust, if any MP or his/her family members is the President/ Chairman or Member of the Managing Committee or Trustee of the registered Society/Trust in question. Family members would include MP and MP's spouse which would comprise of their parents, brothers and sisters, children, grandchildren and their spouses and their in-laws.
- ❖ Further, funds cannot be recommended under MPLADS to any Society/Trust in which any sitting Member of Parliament or his/her family member (spouse and children) is the President/Chairman or Member of the Managing Committee or a Trustee of the Society/Trust. A Society/Trust to which MPLADS funds have been recommended for creating building assets has to give an affidavit that no sitting Member of Parliament of India or his/her family member(s) (Spouse and Children) is the President/Chairman or Member of Managing Committee or Trustee of the Society/Trust.
- ❖ An MP can recommend works only upto Rs. 50 lakh in a financial year from MPLADS funds for works relating to Societies/Trusts.
- ❖ When funds are recommended towards a Society/Trust by a Member of Parliament and clarifications/documents as required under the Guidelines for scrutiny before sanctioning are requested by the District Authorities, the said Society/Trust should provide the requisite documents within a maximum period of three months from the date of receipt of the letter from the district administration. In case the documents are not received even after a period of three months, the district administration can send two reminders within a month. If the required information is still not received, the recommendation by the MP towards the Trust/Society may be treated as cancelled by the district administration and intimation of the same may be given to the recommending MP as well.

Illustrative conditions for Sanction Order

(This is an illustrative format and the District Authorities are not to be restricted only to the points mentioned below, which, however need to be kept in view)

The sanction order should contain the

- ❖ Name and details of the work(s), etc.
- ❖ The time limit for completion of the work.

The following conditions may be stipulated for the implementing agency, in addition to the conditions stipulated as per State/UT government procedure:-

- ❖ The work(s) shall be implemented by the implementing agency itself by following the provisions of the concerned State/UT Rules/Acts/Procedure.
- ❖ MPLADS Guidelines should be fully adhered to and not be flouted.
- ❖ The implementing agency should strictly adhere to the time limit. Suitable action would be taken against the Implementation Agency in the event of their failure to complete the work within the stipulated time.
- ❖ Before execution, it should be ensured by the implementing agency that the sanctioned work(s) have not been taken up under any other scheme.
- ❖ The execution of work shall be commenced only after receipt of the funds from the District Administration. Funds provided under the scheme shall not be used for incurring revenue expenditure nor for any other purpose except for execution of the works sanctioned under this scheme.
- ❖ As per MPLADS guidelines, administrative charges, Centage, VAT, travel cost etc. should not be levied, towards either preparatory work, implementation or supervision of MPLADS works.
- ❖ Before commencing the actual execution of the work, status of the site should be confirmed, before commencing execution.

- ❖ The concerned local body would be intimated of the sanction of the work in their area.
- ❖ The works should be executed strictly as per technical sanction and completed strictly within the specified period, without creating any spill over work and with in the financial limits of the administrative sanction accorded. If the work is not completed within the stipulated time suitable action will be taken against implementing agency.
- ❖ If the works sanctioned are proposed in private lands, the implementing agency has to obtain formal agreement and relinquishment transfer deed in respect of the land, in favour of the government from the beneficiary organization before grounding the work and the ownership of such assets created would vest with the government. In such cases, if works are grounded without collecting relinquishment transfer deed from the beneficiary organization, the Implementing Agency are personally held responsible for the lapse. The transaction of Sale/Transfer/Disposal of the assets created from out of MPLADS fund in Private Land shall not be taken.
- ❖ Templates, containing brief details of the works such as the dimensions of the work, the amount of material to be used (cement etc.), the duration for completion of the work, etc. should be prepared and printed and circulated to the people in the neighborhood of the assets.
- ❖ The funds released under MPLADS should be maintained in separate account with Nationalized Banks for each Hon'ble MP separately.
- ❖ The work wise progress report, invariably containing the expenditure incurred should be furnished to the district administration every month without fail.

- ❖ Sign board carrying the inscription of 'MPLADS works' with the name of the MP may be created at site. The Hon'ble MP concerned shall invariably be invited well –in-advance for inaugural function of the work.
- ❖ Three photographs of the work – at the time of commencement, during execution and after the completion should be taken. Works above 5 lakh should be video graphed.
- ❖ Immediately after the completion of the work, the implementing agency should submit the work completion report on the prescribed proforma, Utilization Certificate, along with unspent balance including interest accrued thereon. **If these are not received within a period of three months, no further work would be given to the implementing agency.**
- ❖ The assets created would be handed over by the District Administration to the concerned user agency, whether Line Department/Municipality/Gram Panchayat or the concerned service organisation, with a firm written commitment.

Annexure D

Before sanctioning and before handing over the asset to the user agencies, be they government line departments, government agency, local bodies such as Gram Panchayat/ Municipality, or a reputed service organisation fulfilling all conditions of para-3.21 and Annexure -B, the following commitments should be obtained in written:-

- ❖ *The user agency shall undertake full responsibility for operation maintenance and upkeep of the asset.*
- ❖ *The asset should always be available for the use of or by, the general public. There should be no distinction or discrimination in the accessibility and usage of assets.*
- ❖ *The asset should be used only for the purpose for which it has been recommended. If any change in the usage of the asset is observed subsequently, then the asset would be taken over the district authority and the cost along with interest at the rate of 18% would be recovered from the user agency.*
- ❖ *Sale/transfer/ modification of the asset cannot be done by the user agency. In such an event, the district authority shall take over the asset.*
- ❖ *The user agency shall submit an annual report to the district authority on use and maintenance of the asset.*
- ❖ *The user agency shall ensure that the plaque erected at the worksite is maintained and is not removed or damaged. In case of its removal or getting damaged it shall be brought to the notice of the district authority.*

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

AUDIT CERTIFICATE

Name of the Member of Parliament :

House : Lok Sabha / Rajya Sabha

Name of the Constituency :

Nodal District Authority :

1. We have audited the attached Balance Sheet as on 31st March _____, Income and Expenditure account and Receipts & Payments Account for the year ended on that date of Member of Parliament Local Area Development (MPLAD) Scheme of above mentioned Member of Parliament with the books of account, records and other documents maintained by the Nodal District authority _____. These financial statements are the responsibility of the Nodal District Authority. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the over all financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the guidelines on MPLADS, the compliance report prepared by the District authority on the matters specified in the said guidelines, duly reviewed by us is attached herewith.

4. Further to our comments in the Annexure referred to above, in our opinion and to the best of our information and according to the explanations and information given to us, the said accounts give the information required by the guidelines on MPLADS in

the manner so required and give a true and fair view in conformity with the accounting principles generally followed in India:

- a) in the case of Balance Sheet, of the State of Affairs of the above mentioned MPLADS funds as at 31st March _____.
- b) in the case of Income and Expenditure account of the Surplus / Deficit for the year ended on that date.
- c) in the case of the Receipts and Payment Account of the Receipts and Payments for the year ended on that date.

For ABC & Co
Chartered Accountants

Date:

Place:

Partner / Proprietor
Ms. No. _____

M P L A D S

Name of the Member of Parliament :

House : Lok Sabha / Rajya Sabha

Name of the Constituency :

Nodal District Authority :

Balance Sheet as at 31st March.....

	Amount Rs.		Amount Rs.
Opening balance of fund B/f. XX		Cash on hand	XXX
<u>Add:</u> Excess of income over expenditure for the year XX		Balance in bank A/c. Advance for scheme works (for works-in-progress)	XXX
Closing balance	XXX	Other advances / deposits (if any)	XXX
Liabilities (if any)	XXX		
	XXX		XXX

Note: Significant Accounting Policies & Notes on Accounts attached hereto forms part of Balance Sheet.

Per our report of even date attached.

for ABC & CO
Chartered Accountants

Partner / Proprietor
Ms. No.....

Nodal District Authority

Date:

Place:

M P L A D S

Name of the Member of Parliament :
House : Lok Sabha / Rajya Sabha
Name of the Constituency :
Nodal District Authority :

Receipts & Payments Account for the year ended 31st March.....

	Amount Rs.		Amount Rs.
To Opening balance		By Funds released for various works	XX
- Cash on hand	XX	By Contingency & Centage expenses	XX
- Balance in bank A/cs.	XX	By Other expenses (if any)	XX
To Grants received under scheme	XX		
To Interest credited by bank (on unspent balance in bank)	XX		
To Unspent amounts received back from IAs	XX	By Closing Balance	
To Amounts received back from IAs		- Cash on hand	XX
on cancellation of works	XX	- Balance in bank A/cs.	XX
	XXX		XXX

Note: Significant Accounting Policies & Notes on Accounts attached hereto forms part of Receipts & Payments Account.

Per our report of even date attached.
for ABC & CO
Chartered Accountants

Partner / Proprietor
Ms. No.....

Nodal District Authority

Date:
Place:

M P L A D S

Name of the Member of Parliament :
House : Lok Sabha / Rajya Sabha
Name of the Constituency :
Nodal District Authority :

Income & Expenditure Account for the year ended 31st March.....

	Amount Rs.		Amount Rs.
To Grants released for works (which were executed)	XX	By Grants received under the scheme	XX
To Bank charges	XX	By Interest credited by bank	XX
To Contingencies & Centage charges	XX		
To Excess of income over expenditure carried to Balance Sheet	XX		
	XXX		XXX

Note: Significant Accounting Policies & Notes on Accounts attached hereto forms part of Income & Expenditure Account.

Per our report of even date attached.

for ABC & CO
Chartered Accountants

Partner / Proprietor
Ms. No.....

Nodal District Authority

Date:

Place: