1. The Commissioners,
   Corporations of Kolkata / Chennai / Delhi
2. All District Collectors / District Magistrates / Deputy Commissioners

Subject: Community infrastructure and public utility building works by registered trusts / societies under MPLADS.

Sir,

Preventing disbursement of MPLADS funds to unscrupulous organisations

1. The Rajya Sabha Committee on MPLADS has drawn attention to the responsibility of putting in place proper checks and balances to prevent siphoning off of MPLADS funds to any unscrupulous organisation.

2. The implementation of the MPLAD Scheme in the field is undertaken by the District Authority / State Government. The weeding out of unscrupulous organisations is primarily the responsibility of the District Authority.

3. There is need to put in place proper checks and balances to prevent disbursement of MPLADS funds to any unscrupulous organisation.

4. Attention is invited to para 3.21 of the Guidelines of MPLADS wherein, *inter alia*, the District authorities are required to ascertain the repute, bonafide and eligibility of a registered trust / society before disbursing MPLADS funds.

5. Attention is specifically drawn to the following stipulation in para 3.21 : “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.”

6. Therefore, before disbursing MPLADS funds, the District Authority should duly exercise its responsibility of ascertaining the bonafide and eligibility of the proposed trust / society.
Relaxation for charitable and residential homes for orphans, old / aged persons, widows, lepers and blind persons.

7. At present, an MP can recommend funds to trusts / societies in terms of the provisions of the MPLADS Guidelines upto a maximum of Rs.1 crore in a year and subject to the condition that one trust / society will get a maximum or Rs.50 lakh in its life-time. It has been seen that trusts / societies that run charitable orphanages, old- age homes, widow homes, leprosy homes and blind homes are serving the most deprived segments of humanity; for them, the restriction of being eligible for only Rs.50 lakh in their life-time is not required or warranted. For such homes, this condition should be relaxed. Accordingly, the following new provision has been added as para 3.21.5 in the Guidelines of MPLADS, with immediate effect:

"Para 3.21.5: Relaxed provision for most deprived segments: For trusts / societies that run charitable residential homes for orphans (anathalaya / yateemkhana), charitable residential homes for old / aged persons, charitable residential homes for widows, charitable residential homes / colonies for lepers, charitable residential homes for blind persons, charitable residential homes for spastic / mentally retarded children or charitable residential homes for deaf and dumb children, the restriction of getting MPLADS funds upto Rs.50 lakh in their life-time will stand relaxed to Rs.1 crore. The total funds received from MPLADS under this relaxed dispensation will be used only in and for the charitable and residential home / colony mentioned afore (and not for any other purpose of the trust / society concerned). And the funds will be utilised only for the purposes provided for in para 3.21 of the Guidelines."

8. This issues with the approval of Competent Authority.

Yours faithfully,

(R. Rajesh)
Director (MPLADS)

Copy for information to:

1. All Hon'ble Members of Parliament (Lok Sabha / Rajya Sabha).
2. The Secretaries, Nodal Departments dealing with MPLADS (All States / UTs).
3. Rajya Sabha Committee on MPLADS, Rajya Sabha Secretariat, New Delhi.
4. Lok Sabha Committee on MPLADS, Lok Sabha Secretariat, New Delhi.
5. To all concerned in MPLADS Division.
6. NIC for uploading on the MPLADS website.

Copy for information also to: Rajya Sabha Committee on MPLADS, Rajya Sabha Secretariat, New Delhi, in reference to their letter No. RS/12(xxii)/2011-MPLADS dated 11-07-2012.