No. C/24/2008-MPLADS

Dated ........................................................................
23.08.2010

To

The Commissioners, Corporation of Kolkatta, Chennai
Districts Collectors/District Magistrates/Deputy Commissioners
(of districts which have so far not been covered in monitoring)

Subject: Irregularities/shortcomings observed in the implementation of the MPLAD Scheme by NABCONS - reg.

The Ministry has since 2007-08 embarked on an important initiative of physical monitoring of MPLADS works on sample basis, in different districts all over the country by an independent institution viz NABARD Consultancy Services (NABCONS), in order to assess the implementation of the scheme at the ground level and undertake mid-course creation. So far, 133 districts have been covered in three phases. However, it is planned to cover all remaining districts in the country in a phased manner, within next 5-6 years. Another 75 districts have been selected for physical monitoring during the current year.

2. While the overall implementation of the scheme has been appreciated, the monitoring in the 133 districts has revealed a few shortcomings/lacunae in the implementation of the scheme by the NABCONS, some of which are delineated below:-

- Sanction of works ineligible as per guidelines, such as-  
  o Construction of office/administrative/residential buildings/structures  
  o Assets for commercial purpose/for commercial activity  
  o Repair/renovation/upgradation of assets  
  o Assets within places of religious worship  
  o Assets for individual benefit/individual assets  
  o Sanction of more than Rs.25 lakh to Trusts/Societies  
  o Sanction of movable assets to NGOs after December, 2005  
  o Assets in private land  
  o Assets for private associations/government employees

- Non-existence of the MPLADS assets.
- Unauthorised usage/encroachment of MPLADS assets
• Diversion of usage of the MPLADS asset from its original intended use, such as –
  o Use of MPLADS assets for commercial activity/purpose of obtaining rent subsequently,
  o Use of classrooms, hospital wards, library buildings etc. as Office/store room/accommodations for persons etc.
• Lack of proper scrutiny of recommendations before sanctioning
• Poor physical condition/lack of proper quality check
• Lack of maintenance by the user agencies.
• Lack of the mandatory 10% inspection of works in a financial year with 100% inspection of Trusts/Societies
• Non-conduct of regular monthly review meetings with the implementing agencies; non-invitation of MPs in the meeting
• Release of full amount instead of in installments to implementing agencies
• Non-receipt of utilization certificates, unspent balances etc. from implementing agencies
• Non-erection of plaques at the work-sites
• Non-maintenance of proper records, Assets Register, etc. by the District Authority as well as non-availability of records with the Implementing Agencies, etc.

3. In case of ineligible works and non-existing assets, the Ministry has requested the States/UTs/district authorities to recoup the funds, initiate suitable actions against the official concerned. In other cases, suitable rectification has also been suggested (removal of encroachment, eviction of unauthorized occupants, restoring assets to intended use, etc.) to avoid future occurrences. As NABCONS will eventually take up monitoring/study in your districts as per plan, it is suggested that you may review all the works undertaken in the district so that the above mentioned shortcomings/lacunae may not be repeated in your district.

Yours faithfully,
(R. Rajesh)
Director

Copy to:-
The Secretary, Nodal Department dealing with MPLADS (All States/UTs)