



The Member of Parliament Local Area Development Scheme (MPLADS) A Primer

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November 2008

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**Tracking the Member of Parliament
Local Area Development Scheme
(MPLADS)**

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This Primer explains the Member of Parliament Local Area Development Scheme (MPLADS), which allows MPs to allocate funds to capital works projects in sectors such as infrastructure development, public health, sanitation, and water. The primer also provides information on how citizens can track MPLADS projects in their constituencies.

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A Primer on the MPLAD Scheme

“The Members of Parliament are often approached by their Constituencies for executing implementation of small works mainly capital in nature to be undertaken in their individual Constituency. Prior to the formation of Members of Parliament Local Area Development Scheme, the Members of Parliament had to recommend such works either to local bodies, municipalities or State Government. During those times, the member did not have direct involvement either in the administrative implementation of such works or in the financial aspect involved in undertaking the works. He had to remain merely a silent spectator and any element of corruption which generally creeps in the entire system of implementation of projects and financing of the same...”

First Report of the Committee on Members of Parliament Local Area Development Scheme, Rajya Sabha

“...these schemes [MPLADS and MLALADS] do seriously erode the notion of separation of powers, as the legislator directly becomes the executive. The argument advanced that legislators do not directly handle public funds under these schemes, as these are under the control of the District Magistrate is flawed. In fact, no Minister directly handles public money. Even the officials do not personally handle cash, except the treasury officials and disbursing officers. Making day-to-day decisions on expenditure after the legislature has approved the budget, is a key executive function.”

Fourth Report, Second Administrative Reforms Committee

The Member of Parliament Local Area Development Scheme (MPLADS) was created so that MPs, who routinely receive requests from constituents for infrastructure development in their area, would have the means to address local problems. This primer focuses on the background and guidelines for MPLADS, the process for the release of money, and how constituents can access information about MPLADS projects.

Background on MPLADS

The Member of Parliament Local Area Development Scheme (MPLADS) was launched on December 23, 1993 as a programme for Members of Parliament (MPs) to recommend development projects in their constituencies. The MP may recommend capital works projects in sectors such as infrastructure development, public health, sanitation, and water.

When the programme began, each member of Parliament was given Rs 5 lakhs per annum to spend on development projects. This amount increased to Rs 1 crore in 1994-95 and was revised again in 1998-99 to Rs 2 crore.

MPLADS Guidelines

MPLADS funded projects are prohibited from benefiting individuals, and the money must be used for community development. Lok Sabha MPs can recommend projects in their constituencies while Rajya Sabha MPs can apply funds for projects anywhere in their state. Nominated members of Parliament can use MPLADS anywhere in India.

2005 MPLADS Guidelines	
Allocation	Rs 2 crore per year; funds are non-lapsable
Spending Limit	No limit for projects implemented by government agencies, but a Rs 25 lakh limit for each trust/society project
Eligible Projects	11 eligible sectors: (i) drinking water facilities; (ii) education; (iii) electricity facilities; (iv) health and family welfare; (v) irrigation facilities; (vi) non-conventional energy sources; (vii) other public facilities such as community centres, bus-sheds, public parks, buildings for cultural activities, etc; (viii) roads, pathways and bridges; (ix) sanitation and public health; (x) sports; and (xi) animal care
Prohibited Projects	Government or private offices and residential buildings; projects for commercial establishments; maintenance; renovation and repair work except for historical sites; assets for an individual; grants, loans, and any donation to government relief funds; buying movable items except vehicles, equipment for hospitals, education, sports, drinking water and sanitation purposes; projects for places of worship; and land acquisition and compensation
Exceptions	A maximum of Rs 10 lakh can be used per year for natural calamities; for 'calamities of severe nature', a maximum of Rs 50 lakh may be used for an affected district anywhere in India. An MP can use up to Rs 10 lakh for education and cultural development projects in another state
SC & ST areas	MPs are required to recommend 15% of the funds (Rs 30 lakh) for areas with a SC population and 7.5% (Rs 15 lakh) for areas with a ST population; in cases where a ST population does not exist, funds can be applied to projects benefiting SC communities and vice-versa; if an area does not have an SC or ST population, they must apply for an exemption from the Ministry
Societies & Trusts	Community infrastructure and public utility building projects for societies/trusts are permitted as long as the society is involved in welfare activities and has existed for three years
Existing Schemes	MPLADS may be combined with other existing government schemes provided it is for eligible projects. Other funds should be used first and the MPLADS funds are used only to achieve completion of the project

Similar to MPLADS, several states have enacted schemes where funds are given to members of the state legislative assemblies (MLALADS). The amount of money and the specific guidelines for the scheme vary across states.

Process for administering MPLADS

The scheme is administered by the Ministry of Statistics and Programme Implementation (MOSPI), which formulates the guidelines, releases funds, and monitors implementation. At the state level, a nodal department is responsible for coordinating and monitoring MPLADS projects in the districts. Once a MP has authorized the release of money for a particular project, the relevant district authority (district collector or municipal commissioner) has 45 days to consider and sanction the project. If the recommended project is not approved, the district authority must notify the MP within 45 days of the receipt of their proposal.

Once a work is sanctioned, the district collector coordinates with the implementing agency to get the project completed within 1 year. The Ministry recommends that projects should be implemented by government agencies, but in some cases allows NGOs to execute projects.

Release of the funds

After the constitution of the Lok Sabha and election to the Rajya Sabha, Rs 1 crore is automatically released. For the subsequent funds, the MP must fulfill certain requirements.

Timeline for release of money	Twice a year
Conditions for the release of the 1 st instalment	The second instalment of the previous year should have been released
Conditions for the release of the 2 nd instalment	(i) The amount released by the government minus the amount sanctioned for all projects is less than Rs 50 lakh; (ii) The amount released by the government minus the amount already spent on all projects is less than Rs 1 crore; and (iii) utilization and audit certificates for the previous year are given

MPLADS funds left over from an earlier Lok Sabha MP are carried over to the incoming Lok Sabha MP's account. For Rajya Sabha members, the remaining funds are distributed among that state's incoming Rajya Sabha members. Similarly, unspent funds from outgoing nominated MPs are divided among the new nominated MPs.

Tracking MPLADS in the Districts

The district authority is responsible for making certain information available to the public.

- Information on MPLADS (the number and cost of works sanctioned, implementing agencies, projects completed, etc) should be made available to citizens under the Right to Information Act.
- The district authority should keep a list of all completed and ongoing MPLADS projects and the funds required. This list should be displayed at the District Authority Office and on the website.
- All MPLADS data should be uploaded to the MPLADS website.
- A plaque for each MPLADS project will be placed at the project location with information on the project cost, start date, completion date, inauguration, and the MP's name.
- The district authority should maintain the works registers of recommended projects and a register for all assets created by MPLADS funds.
- Information and photographs of all projects above Rs 5 lakh should be given to the Ministry of Statistics and Programme Implementation to put on the website.
- The district authority shall review all MPLADS projects on a monthly basis with implementing agencies.
- At least 10% of the projects under implementation in the district are to be inspected every year by the district authority. All projects for societies/trusts shall be inspected to ensure compliance.

Accessing MPLADS Information

Information on MPLADS, the annual report, and sector specific data, go to <http://mplads.nic.in/>.

The chart below shows how one can access the details of funds utilised for any particular MP or for a constituency.

सांख्यिकी और कार्यक्रम कार्यान्वयन मंत्रालय
Ministry of Statistics & Programme Implementation

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Member of Parliament Local Area Development Scheme (MPLADS)

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MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME

House Name: Lok Sabha Rajya Sabha State: Punjab House No: 14

Constituency Name: AMRITSAR Nodal District: AMRITSAR

MP Name: Navjot Singh Sidhu Implementing District: AMRITSAR

Home Reports

Status: Completed Generate report

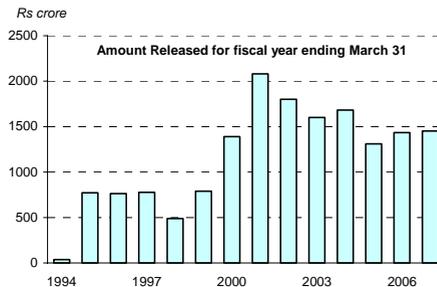
Member of Parliament Local Area Development Scheme
 Report for COMPLETED Works

State: Punjab	LS/RG: 14th Lok Sabha	Constituency: AMRITSAR	Implementing Dist.: AMRITSAR									
MP: Shri Navjot Singh Sidhu	Nodal District: AMRITSAR											
Work No.	Date of Receipt of Proposal for work from MP	Date of Sanction of work by District	Date of Commencement of Work	Cost (Sanct. by Dist./Rs.)	Exec. Agency	Orig. Target Date of Completion	Actual Date of Completion	Exp. Incurred Till (Rs.)	Am't of Saving Returned to Dist. Head (Rs.)	Date of Return of Savings	Date of Receipt of U/C	Reporting Year/Month
Work Name with Location: CONST. OF STREETS												
457	24/11/2006	15/12/2006	04/01/2007	100000	NEW PANCHAYAT RAJ AMRITSAR	15/12/2007	15/12/2007	100000	0		24/07/2007	2010/01
Rligo,Urban: URBAN												
Work Name with Location: MEDICAL ENCLAVE												
Work Name with Location: CONST. OF STREETS AND DRAINS												
458	24/11/2006	20/12/2006	10/01/2007	100000	NEW PANCHAYAT RAJ AMRITSAR	29/12/2007	16/04/2008	100000	0		24/07/2007	2010/01
Rligo,Urban: VERKA												
Work Name with Location: MADHAL BHITTEWLO												
Work Name with Location: CONST. OF STREETS AND DRAINS												
459	24/11/2006	20/12/2006	10/01/2007	100000	NEW PANCHAYAT RAJ AMRITSAR	20/12/2007	20/12/2007	100000	0		24/08/2007	2010/01
Rligo,Urban: VERKA												
Work Name with Location: KHARABAD												
Work Name with Location: CONST. OF STREETS AND DRAINS												
460	24/11/2006	20/12/2006	04/01/2007	100000	NEW PANCHAYAT RAJ AMRITSAR	20/12/2007	20/12/2007	100000	0		24/08/2007	2010/01
Rligo,Urban: VERKA												
Work Name with Location: KANHO												
Work Name with Location: CONST. OF STREETS AND DRAINS												
461	24/11/2006	20/12/2006	04/01/2007	100000	NEW PANCHAYAT RAJ AMRITSAR	20/12/2007	20/12/2007	100000	0		24/08/2007	2010/01
Rligo,Urban: VERKA												
Work Name with Location: RAAL SACHANDAR												
Work Name with Location: CONST. OF STREETS AND DRAINS												
462	24/11/2006	20/12/2006	10/01/2007	50000	NEW PANCHAYAT RAJ AMRITSAR	20/12/2007	20/12/2007	50000	0		24/08/2007	2010/01
Rligo,Urban: VERKA												
Work Name with Location: DHOL KHURD												
Work Name with Location: CONST. OF STREETS												
464	24/11/2006	20/12/2006	10/01/2007	75000	NEW PANCHAYAT RAJ AMRITSAR	20/12/2007	20/12/2007	75000	0		24/08/2007	2010/01
Rligo,Urban: URBAN												

Use of MPLADS in the last 15 years

Annual release of funds

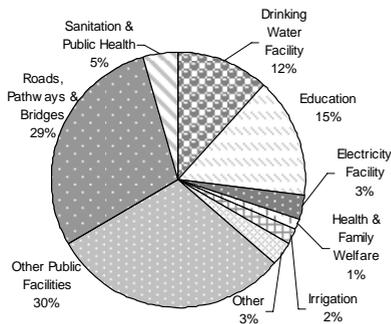
Since 1993 when the scheme was started until March 2007, the government has released approximately Rs 16,375 crore (about 90% of the total money allotted for the scheme). The chart shows the annual release of funds from the programme's inception until 2006-07.



Source: Statewise Status of Fund Release and Expenditure, MOSPI.

Sector wise distribution

There are 11 eligible sectors for MPLADS projects, which broadly encompass infrastructure development, public health, sanitation, and water. Nearly 60% of the funds have been spent on two sectors: (a) roads, pathways, bridges; and (b) other public facilities.



Source: Annual Report MPLADS 2006-07, MOSPI. Note: The chart is based on projects that have been uploaded to the MPLADS website.