

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7065
ANSWERED ON:18.05.2012
MPLADS FUNDS UTILISATION THROUGH BANKS
Kodikunnil Shri Suresh

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has given any direction to the State Governments to utilize the MPLADS funds through the subsidiaries of Nationalised Banks.;
- (b) if so, the details thereof; and
- (c) the reaction of the State Governments thereto?

Answer

The Minister of State in the Ministry of Finance (Shri Namu Narain Meena)

(a) to (c) The Ministry of Statistics and Programme Implementation has informed that they have not given any directions to the State Government to utilize the Member of Parliament Local Area Development Scheme (MPLADS) funds through the subsidiaries of Nationalised Banks.

The Department of Financial Services has, however, requested the Ministry of Statistics and Programme Implementation to modify para 5.1 of MPLADS guidelines which restricts the implementing agencies from keeping MPLADS funds with Regional Rural Banks (RRBs). Once the guidelines are modified the implementing agencies may keep the funds with RRBs also.