

**COMMITTEE ON MEMBERS OF PARLIAMENT LOCAL
AREA DEVELOPMENT SCHEME (2012-13)**

FIFTEENTH LOK SABHA

**MINISTRY OF STATISTICS AND
PROGRAMME IMPLEMENTATION**

[Action Taken by the Government on the recommendations contained in the Seventh Report of Committee on MPLADS (15th Lok Sabha) on the subject "Development of SC/ST areas through MPLADS funds"]

TENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

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Presented to Lok Sabha on 20 December, 2012



**LOK SABHA SECRETARIAT
NEW DELHI**

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**COMPOSITION OF THE COMMITTEE ON MEMBERS OF PARLIAMENT LOCAL
AREA DEVELOPMENT SCHEME (LOK SABHA) 2012-13**

Shri A.K.S. Vijayan - Chairman

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2. Shri Ghanshyam Anuragi
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4. Shri Raj Babbar
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SECRETARIAT

1. Shri V.R. Ramesh - Joint Secretary
2. Shri D.R. Shekhar - Director
3. Shri C. Kalyanasundaram - Deputy Secretary

(iii)

INTRODUCTION

I, the Chairman of the Committee on Members of Parliament Local Area Development Scheme (MPLADS) (2012-13) having been authorised by the Committee to submit the Report on their behalf, present the Tenth Report on the action taken by the Government on the recommendations contained in the Seventh Report (15th Lok Sabha) on the subject "Development of SC/ST areas through MPLADS funds" relating to the Ministry of Statistics and Programme Implementation.

2. The Seventh Report was presented to Lok Sabha on 15 December, 2011. The replies of the Government to all the recommendations contained in the Report were furnished on 13 June, 2012.

3. The Report was considered and adopted by the Committee at their sitting held on 17 December, 2012

4. An analysis of the action taken by the Government on the recommendations contained in the Seventh Report (15th Lok Sabha) of the Committee (2011-12) is given in *Appendix II*.

New Delhi
19 December, 2012
28 Agrahayana, 1934 (Saka)

A.K.S. VIJAYAN
Chairman,
Committee on Members of Parliament
Local Area Development Scheme
Lok Sabha

CHAPTER I

REPORT

1.1 This Report of the Committee on Members of Parliament Local Area Development Scheme (MPLADS) deals with the action taken by the Government on the Observations/Recommendations contained in their Seventh Report (Fifteenth Lok Sabha) on the subject "Development of SC/ST areas through MPLADS funds" relating to the Ministry of Statistics and Programme Implementation.

1.2 The Seventh Report was presented to Lok Sabha on 15 December, 2011, contained 12 observations/recommendations. Action Taken Replies have been received from the Government in respect of all Observations/Recommendations which have been categorized as follows:-

(i) Observations/Recommendations which have been accepted by the Government :-

Para Nos. - 2.1, 2.2 and 2.3 **(Total 03)**

(ii) Observations/Recommendations which the Committee do not desire to pursue in view of Government's reply :-

Nil **(Total Nil)**

(iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee which require reiteration :-

Para Nos. - 2.4, 2.7, 2.8 and 2.12 **(Total 04)**

(iv) Observations/Recommendations in respect of which final replies of the Government are still awaited :-

Para Nos. - 2.5, 2.6, 2.9, 2.10 and 2.11 **(Total 05)**

1.3 The Committee trust that utmost seriousness will be shown by the Department while implementing the observations/recommendations accepted by the Government. In cases where it is not possible for the Ministry to implement the observations/recommendations in letter and spirit for any reason whatsoever, the matter should be reported to the Committee with reasons for non-implementation. The Committee further desire that the Action Taken Notes on the observations/recommendations contained in Chapter I of this Report and the final Action Taken Reply in respect of the recommendations included in Chapter V of this Report should be furnished to them within three months of the presentation of this Report. The Committee were assured that action would be taken on the recommendations contained in paras 2.5, 2.6, 2.10 and 2.11 of the Seventh Report based on the recommendations of the Committee on the proposals made by the Ministry in reply to recommendation No. 2.2 of the Report. Accordingly, these recommendations have been included in Chapter V of this Report. The Ministry should furnish comprehensive action taken replies to these recommendations.

1.4 The Action Taken Notes furnished by the Ministry of Statistics and Programme Implementation have been reproduced in the relevant chapters of this Report. The Committee will now deal with the action taken by the Government on some of their observations/recommendations in the succeeding paragraphs.

A. Percentage of MPLADS fund for SC/ST areas.

(Para 2.2)

1.5 The Committee had expressed their concern over the fact that only 14.59% of the MPLADS funds were utilized during the first year of the 15th Lok Sabha for the development of SC and ST areas as against the stipulation of 22.5% in the MPLADS guidelines. As per the directives of the Planning Commission through its Scheduled Caste Sub Plan (SCSP) and Tribal Sub Plan (TSP), all the Central Ministries/Departments are required to earmark funds

under SCSP/TSP from their respective Plan outlay at least in proportion to percentage of SC and ST population in the country which was 16.2% and 8.2%, respectively, as per Census, 2001. The Committee had learnt that the matter was under examination by a Task Force set up by the Planning Commission. Therefore, the Committee felt that it would not be appropriate to change the present percentage formula unilaterally by the Ministry particularly when the Planning Commission was seized of the matter. The Committee recommended that the Ministry should apprise the Task Force the difficulties being faced by the Members of Parliament and the District Authorities in utilization of the funds as per directives of the Planning Commission due to inadequate SC/ST population in their constituencies/districts. The provisions regarding percentage of fund utilization for SC/ST areas should also contain solutions to such difficulties for prompt utilization of funds. The suggestions that the funds may be utilised according to the SC/ST population in a particular constituency should also be brought before the Task Force as the total sum utilized in this manner would be in proportion to the total percentage of SC/ST population in the country. The Committee expected that appropriate steps would be taken by the Planning Commission and the Ministry for expeditious finalization of the Report of the Task Force in the matter. Based on the decisions of the Planning Commission regarding percentage allocation to SC/ST areas, the Ministry should take prompt steps to implement the same by incorporating appropriate provisions in the MPLADS guidelines in the matter.

1.6 The Ministry of Statistics and Programme Implementation has stated in its Action Taken Notes as under:-

"The suggestions for utilizing the SC/ST population in a particular constituency in accordance with the following criteria had been brought before the Task Force and advice of Planning Commission had been called for in this regard;

- (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.
- (b) In those constituencies in which the SC/ST 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/ST inhabited areas.

(c) In those constituencies in which the SC/ST population is more than 5%, the funds reserved for SC/ST areas would be in proportion to the ratio of the SC/ST population in that constituency.

(d) The area, where the fund should be spent for the SCs in the constituency should be demographically defined areas like wards/panchayats where the SC population is above the average of SC population in the constituency, as these would be the pockets 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 or the scheduled areas are declared under schedule V in the Constitution. Therefore, these areas can be considered for implementation of ST works.

Subsequently, considering the nature of this Ministry, Planning Commission included this Ministry in the group 'Largely engaged in Policy making and manning central organizations without any significant beneficiary oriented schemes' and categorized it in '**No obligation**' category. As per this, Ministry of S&PI are not obligated to earmark funds under SCSP and TSP from the Plan funds of this Ministry.

However, in view of the subsequent winding up of the Task Force of the Planning Commission without any further advice/direction from the Planning Commission on what formulation should be included/ not included in the MPLADS guidelines, the Lok Sabha Committee may like to advise in the matter."

1.7 The Committee note that the Planning Commission has categorized the Ministry of Statistics and Programme Implementation under "No obligation" category as it is largely engaged in policy making and manning Central Organisations without any significant beneficiary oriented Schemes. As such, it has been left to the Ministry to determine the percentage of MPLADS funds for SC/ST areas. In order to take a decision on this important matter, the Ministry has submitted the above proposals. However, the Ministry has not submitted any information on actual distribution of SC/ST population in Lok Sabha constituencies which has prompted it to put forth these proposals. Presently there are two exclusive provisions i.e. 15% for areas inhabited by SCs and 7.5% for ST areas. The Committee are concerned to note that the proposals made by the Ministry are devoid of any such exclusive provisions for SC and ST areas. Even though the Planning Commission has placed the Ministry under non-obligatory category, the Committee are of the considered view that it is obligatory on the part of the Ministry as an executive wing of a Welfare

State to pursue an inclusive policy towards socially and economically deprived people. As such, it is necessary that exclusive provisions are made for SC and ST areas to ensure that the benefits reach both the areas inhabited by SCs and STs. The Committee, therefore, recommend that status-quo i.e. 15% of funds for SC areas and 7.5% for ST areas should be maintained by the Ministry. Wherever, there is any genuine difficulty in utilization of funds, the funds may be used in the areas where the people belong to the economically deprived sections of the society live such as slums and the other areas where adequate infrastructure and sanitation facilities are not available.

1.8 The Committee are constrained to note that a vague proposal has been made by the Ministry in regard to identification of areas where the funds should be spent for SCs. It has been proposed that the funds should be used in demographically defined areas such as wards/panchayats where the SC population is above the average of SC population in a constituency. First of all the meaning of average of SC population is not clear as the basic demographic unit (ward etc.) which was used for calculating the average SC population in a constituency has not been mentioned. Moreover, a ward is the basic demographic area in all forms of Panchayati Raj institutions such as Panchayats, Municipalities, Corporations etc. As such it is not understandable how wards and Panchayats have been equated by the Ministry. The Committee expect that the Ministry make its proposals based on indepth analysis and concrete facts. Since a ward is the basic unit of all the Panchayati Raj Institutions, the Committee recommend that the area where the MPLADS funds should be used for SC area in a constituency should be a ward where the SC population is above the average of SC population in all the wards of any constituency. In case of any difficulties in identifying such wards, the wards with 25% less SC population than the average of SC population in all wards may also be indentified for the purpose. In case of STs, the tribal areas declared under schedule VI in the constitution of India or the

scheduled areas declared under schedule V in the constitution can be considered for implementation of MPLAD Scheme for ST areas.

B. Construction of Cluster of Houses in slum areas out of funds earmarked for SC/ST areas

(Para 2.4)

1.9 The Committee had noted the proposal of the Ministry that the MPs may propose works in slums or other deprived areas in case it was difficult to clearly earmark SC areas. The Government of Tamil Nadu had also suggested that the allocation for works for SCs and STs in urban areas may be taken up in slum areas. As per the discussion with Secretary, Ministry of Statistics and Programme Implementation, and the Chief Secretary, Govt. of Maharashtra, the funds reserved for the SC/ST population could be used in the declared slum areas. In Committee's view, this provision would be a great boon to the people living in urban slums particularly where there was difficulty in clearly demarcating SC/ST areas in towns and cities. Creation of durable assets such as dwelling units, pucca roads, drinking water works, public taps and hand pumps, public toilets, etc. in slums would go a long way in uplifting the standard of living of the people living in slums or other such deprived areas. The Committee, therefore, recommended that it should be incorporated in the guidelines that MPLADS funds earmarked for SC/ST areas may be utilized for slums or other such deprived areas in towns and cities. Since housing was one of the major problems in the slums, the Committee recommended further that construction of cluster of houses might be permitted under the Scheme in slums or other such deprived areas where there were difficulties in identifying definite pockets of SCs and STs.

1.10. The Ministry of Statistics and Programme Implementation has stated in its Action Taken note as follows:-

"MPLADS funds earmarked for SC/ST areas can be considered for being used for development of only infrastructure works for recognised slums in States/UTs . The use of MPLADS funds for these works will be subject to obtaining NOC from land owning authorities like Municipalities, Development Authorities, Airport Authority etc. and also NOC from the

State Government. However, construction of cluster of houses, giving individual benefits, is not permitted under MPLADS Guidelines."

1.11 The Committee are constrained to note the stereotypic kind of reply furnished by the Ministry that the construction of cluster of houses giving individual benefits is not permitted under MPLADS Guidelines eventhough the MPLADS funds earmarked for SC/ST areas can be used for development of infrastructure works for recognized slums in States/ UTs. In Committee's view, it would be meaningless to provide infrastructural facilities without proper houses for the people who live in the slums. Moreover, the community in the slum as a whole will be benefitted if the cluster of houses are constructed with the help of MPLADS funds for the families of the slum and this cannot be treated as individual benefits. The Committee, therefore, reiterate their recommendation that construction of cluster of houses should be permitted for recognized slums in cities and towns.

1.12 The Committee also find that the cluster of houses constructed under Indira Awas Yojana (IAY), which are older than 10 years or more, attain dilapidated condition due to lack of proper maintenance. The houses are constructed under the Scheme mainly for people below poverty line living in rural areas including SCs and STs. These people are unable to maintain these houses due to poverty. In this regard, MPLADS funds would be handy to renovate/repair those houses. The renovation/repair may be taken up for the entire cluster of houses so that the community as a whole is benefitted. The Committee, therefore, recommend that MPLADS scheme may be converged with IAY so as to enable Members of Parliament recommend funds for renovation/repair of houses constructed under IAY.

E. Exemption from provision relating to SC/ST areas

(Para 2.7)

1.13 The Committee noted that a clarification had been issued by the Ministry on MPLADS guidelines that the concerned Nodal District Authority, in consultation with the MP concerned, should send a proposal to the Ministry

seeking exemption from the provision in case any constituency does not have adequate SC/ST population. In response, the Ministry had received only three such proposals from the State of Maharashtra which were not acceded to by the Ministry. In that regard, the Committee recommended that instead of straightaway rejecting such proposals, the Ministry should thoroughly examine the proposals and in cases of genuine problems in implementing the provision, the Ministry should guide the MPs and the District Authorities in finding a way to those problems. Moreover, the Committee found that only three proposals were received by the Ministry from the entire country during the last three years. The main reason for this may be inadequate awareness on the part of the MPs and District Authorities about this clarification issued by the Ministry. Apart from issuing circulars on this important clarification, the Committee recommended that this should be incorporated prominently in the guidelines so as to utilize the funds earmarked for SC/ST areas fruitfully.

1.14 The Ministry of Statistics and Programme Implementation has stated in its Action Taken Note as under:-

" The clarification regarding seeking exemption from the provisions of guidelines in case any constituency does not have adequate SC/ST population were included in the Compendium circulated to all State Nodal Authorities, District Authorities, Chief Secretaries of all States/ UTs, all Members of Parliament and Lok Sabha and Rajya Sabha Committees on MPLADS which has also been uploaded on the website of the Ministry. The cases for exemption are decided on case to case basis depending on the merits of each case. Incidentally, transferability of utilization of funds earmarked for SCs, for STs and vice –versa is already allowed in the MPLADS guidelines."

1.15 The Committee regret to note the evasive reply furnished by the Ministry. The Ministry has simply stated that the above clarification was included in the compendium circulated to all the states/ UTs and the same has also been uploaded on the website of the Ministry. This clarification was issued by the Ministry in 2006. In response, the Ministry had received only three proposals from the state of Maharashtra. It is an indication of the inadequacy of the awareness in other parts of the country where the similar problem exists. In order to create adequate awareness among MPs and the District Authorities about this clarification, the Committee specifically

recommended that this should be prominently incorporated in the guidelines. Instead of incorporating the clarification in the guidelines, the Ministry has conveniently stated that the same is available in the compendium. Compendium is not a regular reference material available with the MPs and the District Authorities. It would be handy if this clarification is incorporated in the para on provisions relating to SC/ ST areas in the guidelines. The Committee, therefore, reiterate the recommendation to incorporate the clarification prominently in the guidelines.

F. Inter-changeability of MPLADS funds meant for SC/ST areas.

(Para 2.8)

1.16 The Committee were constrained to note that the details of inter changeability of funds meant for SC/ST areas were not available with the Ministry. As per the provisions contained in Para 2.5 of the guidelines, the Scheme allows inter changeability of funds meant for SC/ST areas and in case a constituency does not have ST inhabited area, MPLADS funds may be utilized in SC inhabited area and *vice-versa*. In this regard, the Ministry was asked to furnish the State-wise details of whether this provision was being followed by the District Authorities. The Committee were pained to learn from the reply of the Ministry that these details were not required to be sent to the Ministry as per the provisions of the Scheme guidelines. It was pertinent to mention that NABCONS had also pointed out in its monitoring report that the data with regard to implementation of works in SC/ST areas were not maintained by the District Authorities. Instead of groping in the dark, since the guidelines were issued by the Ministry itself, a provision to furnish the details of implementation of the provisions relating to development of SC/ST areas by the District Authorities were to be made in the guidelines so as to monitor its implementation by the Ministry. The Committee, therefore, recommended that a provision should be made in the guidelines that the District Authorities should maintain a data base on implementation of the provisions including inter changeability of funds, and furnish the same on quarterly basis to the nodal departments who in turn should

furnish the same to the Ministry on quarterly basis for the effective monitoring of implementation of the provision.

1.17 The Ministry of Statistics and Programme Implementation has stated in its Action Taken Note as under:-

"The District Authorities and State Nodal Authorities have been directed to maintain the database on implementation of provision regarding interchangeability of funds in the SC/ST areas."

1.18 The Committee are not satisfied with the reply furnished by the Ministry that the District Authorities and State Nodal Authorities have been directed to maintain the database on implementation of provision regarding interchangeability of funds in the SC/ ST areas. It is not clear from the reply whether any circular was issued by the Ministry in this regard. Merely giving direction through a circular is not an adequate measure as periodic transfers/changes of officials at nodal department and district levels makes such circulars remain filed without any concrete action. Such important issues involving implementation of the Scheme should be incorporated in the guidelines. Moreover, no reply has been furnished by the Ministry to the recommendation that the nodal departments furnish data on quarterly basis to the Ministry for effective monitoring at its end. It is important that the implementation of the provision is effectively monitored by the Nodal Department and the Ministry to ensure that the benefits reach the SC/ST people. The Committee, therefore, reiterate the recommendation.

G. Monitoring of fund utilization for SC/ST areas

(Para 2.12)

1.19 The Committee noted with dissatisfaction that the Ministry had given no information with regard to scrutiny either at its own level or at the level of the nodal departments of the information being furnished by the District Authorities in Monthly Progress Report on physical and financial progress of works executed in SC and ST areas. It was always stated by the Ministry that provision regarding development of SC/ST areas was being reviewed alongwith other issues at its own level and by the State Level Monitoring Committees. In Committee's view the information furnished in Monthly Progress Reports threw a good light on the works recommended, sanctioned, completed, etc. for SC/ST areas. This

information should be analysed and corrective steps be taken to ensure that the target percentage of expenditure was achieved. The Committee, therefore, recommended that the information furnished in Monthly Progress Reports should be analysed by Nodal Departments in the States and they should take up with the District Authorities where there was shortfall in achievement of results in SC/ST areas. The nodal departments should also furnish action taken reports to the Ministry on quarterly basis for the information and follow-up action by the Ministry. A provision to this effect should also be made in the guidelines in this regard.

1.20 The Ministry, in its Action Taken Note, has informed as under:-

" The position of any shortfall in achieving the results in SC/ST area will be reexamined once the Lok Sabha Committee gives this Ministry advice on para 2.2. Moreover, with the existing staff strength under MPLADS in the Nodal Departments in the States and in this Ministry, it may not be possible to analyze the data furnished by the District Authorities through Monthly Progress Reports and if allocation of such area of action is made to the District/ State Nodal Department, then it is likely that they will not be able to do justice to this work."

1.21 The Committee deplore the attitude of the Ministry to evade recommendations on effective monitoring by putting forth the staff constraint as a reason. In reply to this recommendation, it has gone to the extent of projecting inadequacy of staff strength of the Nodal Departments to analyze the data furnished by the District Authorities through Monthly Progress Reports on works recommended, sanctioned, completed, etc. for SC/ ST areas. In this case, the Committee desire that issue of staff strength should be taken up at highest level at Centre and States Union Territory to enable them to analyse the data furnished by the District authorities alongwith the justifications for their inability to analyse MPRs. Merely giving an evasive reply without concrete facts is an attempt to mislead the Committee. Since it may not be feasible to analyze the MPRs at Ministry's level, the Committee recommended that this exercise may be undertaken by the nodal departments leaving overall monitoring to the Ministry. The Committee trust that efficacious efforts of the Ministry in this right direction will ensure the welfare of SC/ ST areas. The Committee, therefore, reiterate the recommendation.

CHAPTER—II

Observations/recommendations which have been accepted by the Government

OBSERVATIONS/RECOMMENDATIONS (para 2.1)

2.1 The Committee note that special attention was given for infrastructural development of areas inhabited by SCs and STs at the time of revision of MPLADS Guidelines in 2005. As per the provision of guideline No. 2.5, 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. As per the present provision, the total reported expenditure on the works carried out for SC/ST areas during the 15th Lok Sabha (as on 12 July 2010) was Rs. 39.40 crore which was 14.59% of the total cumulative expenditure.

OBSERVATIONS / RECOMMENDATIONS (para 2.2)

2.2 The Committee are concerned to note that only 14.59% of the MPLADS funds were utilized during the first year of the 15th Lok Sabha for the development of SC and ST areas as against the stipulation of 22.5% in the MPLADS guidelines. The Ministry of Statistics and Programme Implementation had included this provision in the Scheme guidelines as per the directives of the Planning Commission through its Scheduled Caste Sub Plan (SCSP) and Tribal Sub Plan (TSP). All the Central Ministries/Departments are required to earmark funds under SCSP/TSP from their respective Plan outlay at least in proportion to percentage of SC and ST population in the country which was 16.2% and 8.2%, respectively, as per Census, 2001. The Committee have learnt that the matter is presently under examination by a Task Force set up by the Planning Commission. As such it would not be appropriate to change the present percentage formula unilaterally by the Ministry particularly when the Planning Commission is seized of the matter. Instead, the Ministry should apprise the Task Force the difficulties being faced by the Members of Parliament and the District Authorities in utilization of the funds as per directives of the Planning Commission due to inadequate SC/ST population in their constituencies/districts. The provisions regarding percentage of fund utilization for SC/ST areas should also contain solutions to such difficulties for prompt utilization of funds. The suggestions that the funds may be utilised according to the SC/ST population in a particular constituency should also be brought before the Task Force as the total sum utilized in this manner would be in proportion to the total percentage of SC/ST population in the country. The Committee expect appropriate steps to be taken by the Planning Commission and the Ministry for expeditious finalization of the Report of the Task Force in the matter. Based on the decisions of the Planning Commission regarding percentage allocation to SC/ST areas, the Ministry should take prompt steps to implement the same by incorporating appropriate provisions in the MPLADS guidelines in the matter.

REPLY OF THE GOVERNMENT

2.3 The suggestions for utilizing the SC/ST population in a particular constituency in accordance with the following criteria had been brought before the Task Force and advice of Planning Commission had been called for in this regard;

(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.

(b) In those constituencies in which the SC/ST 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/ST inhabited areas.

(c) In those constituencies in which the SC/ST population is more than 5%, the funds reserved for SC/ST areas would be in proportion to the ratio of the SC/ST population in that constituency.

(d) The area, where the fund should be spent for the SCs in the constituency should be demographically defined areas like wards/panchayats where the SC population is above the average of SC population in the constituency, as these would be the pockets 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 or the scheduled areas are declared under schedule V in the Constitution. Therefore, these areas can be considered for implementation of ST works.

Subsequently, considering the nature of this Ministry, Planning Commission included this Ministry in the group 'Largely engaged in Policy making and manning central organizations without any significant beneficiary oriented schemes' and categorized it in '**No obligation**' category. As per this, Ministry of S&PI are not obligated to earmark funds under SCSP and TSP from the Plan funds of this Ministry.

However, in view of the subsequent winding up of the Task Force of the Planning Commission without any further advice/direction from the Planning Commission on what formulation should be included/ not included in the MPLADS guidelines, the Lok Sabha Committee may like to advise in the matter.

(Vide Ministry of Statistics and Programme Implementation OM No. C/72/2011 – MPLADS dated 13.06.2012)

OBSERVATIONS / RECOMMENDATIONS (para 2.3)

2.4 The Committee are concerned to note that the Members of Parliament are unable to recommend adequate number of works for the development of SC/ST areas as they are not able to get works which could be exclusively used by SC/ST population. To deal with the situation, the Committee has learnt that the Ministry is proposing in the guidelines that the District Authorities would assist the MPs by creating a 'Shelf of Projects' and the MPs could select some of these

works to fulfill the requirement. Subsequently, the Ministry issued a Circular in June 2011 stating that the District Authority shall maintain and make available a suggestive "Shelf of Projects" including projects for SC/ST inhabited areas, to MPs. In this regard, the Committee recommend that the Ministry should give wide publicity to this provision so that all MPs are made aware of it. The Committee also recommend that the Nodal Department of the States and the District Authorities should render all help and assistance to the MPs in identifying works that can be recommended under the MPLAD Scheme. A data base may also be made available on the website of the Scheme for ready reference of the Members of Parliament.

REPLY OF THE GOVERNMENT

2.5 The need/requirement of maintaining a "Shelf of Projects" including those for SCs/STs has been reiterated in the All India bi-annual Review meeting with Nodal Secretaries of the States/UTs and they have been directed to maintain a "Shelf of Projects" in the district level **including projects for SC/ST inhabited areas** so that the Hon'ble MPs can select projects from the list. District Authorities have been requested to maintain a data base of "Shelf of Projects" on the Nodal District website for ready reference for Hon'ble MPs vide letter No. C/23/2011-MPLADS dated 17.06.2011 (Annexure). This letter has also been uploaded on the website of the Ministry www.mplads.gov.in and a copy was sent to all MPs to make them aware of it.

(Vide Ministry of Statistics and Programme Implementation OM No. C/72/2011 – MPLADS dated 13.06.2012)

CHAPTER—III

Observations/recommendations which the Committee do not desire to pursue in view of the Government's replies.

Nil

CHAPTER—IV

Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee which require reiteration

OBSERVATIONS / RECOMMENDATIONS (para 2.4)

4.1 The Committee note the proposal of the Ministry that the MPs may propose works in slums or other deprived areas in case it is difficult to clearly earmark SC areas. The Government of Tamil Nadu had also suggested that the allocation for works for SCs and STs in urban areas may be taken up in slum areas. As per the discussion with Secretary, Ministry of Statistics and Programme Implementation, and the Chief Secretary, Govt. of Maharashtra, the funds reserved for the SC/ST population could be used in the declared slum areas. In Committee's view, this provision would be a great boon to the people living in urban slums particularly where there is difficulty in clearly demarcating SC/ST areas in towns and cities. Creation of durable assets such as dwelling units, pucca roads, drinking water works, public taps and hand pumps, public toilets, etc. in slums would go a long way in uplifting the standard of living of the people living in slums or other such deprived areas. The Committee, therefore, recommend that it should be incorporated in the guidelines that MPLADS funds earmarked for SC/ST areas may be utilized for slums or other such deprived areas in towns and cities. Since housing is one of the major problems in the slums, construction of cluster of houses may be permitted under the Scheme in slums or other such deprived areas where there are difficulties in identifying definite pockets of SCs and STs.

REPLY OF THE GOVERNMENT

4.2 MPLADS funds earmarked for SC/ST areas can be considered for being used for development of only infrastructure works for recognised slums in States/UTs . The use of MPLADS funds for these works will be subject to obtaining NOC from land owning authorities like Municipalities, Development Authorities, Airport Authority etc. and also NOC from the State Government. However, construction of cluster of houses, giving individual benefits, is not permitted under MPLADS Guidelines.

(Vide Ministry of Statistics and Programme Implementation OM No. C/72/2011 – MPLADS dated 13.06.2012)

OBSERVATIONS / RECOMMENDATIONS (para 2.7)

4.3 The Committee note that a clarification has been issued by the Ministry on MPLADS guidelines that the concerned Nodal District Authority, in consultation with the MP concerned, should send a proposal to the Ministry seeking exemption from the provision in case any constituency does not have adequate

SC/ST population. In response, the Ministry had received only three such proposals from the State of Maharashtra which were not acceded to by the Ministry. In this regard, the Committee recommend that instead of straightaway rejecting such proposals, the Ministry should thoroughly examine the proposals and in cases of genuine problems in implementing the provision, the Ministry should guide the MPs and the District Authorities in finding a way to those problems. Moreover, the Committee find that only three proposals were received by the Ministry from the entire country during the last three years. The main reason for this may be inadequate awareness on the part of the MPs and District Authorities about this clarification issued by the Ministry. Apart from issuing circulars on this important clarification, the Committee recommend that this should be incorporated prominently in the guidelines so as to utilize the funds earmarked for SC/ST areas fruitfully.

REPLY OF THE GOVERNMENT

4.4 The clarification regarding seeking exemption from the provisions of guidelines in case any constituency does not have adequate SC/ST population were included in the Compendium circulated to all State Nodal Authorities, District Authorities, Chief Secretaries of all States/ UTs, all Members of Parliament and Lok Sabha and Rajya Sabha Committees on MPLADS which has also been uploaded on the website of the Ministry. The cases for exemption are decided on case to case basis depending on the merits of each case. Incidentally, transferability of utilization of funds earmarked for SCs , for STs and vice –versa is already allowed in the MPLADS guidelines.

(Vide Ministry of Statistics and Programme Implementation OM No. C/72/2011 – MPLADS dated 13.06.2012)

OBSERVATIONS / RECOMMENDATIONS (Para 2.8)

4.5 The Committee are constrained to note that the details of inter changeability of funds meant for SC/ST areas are not available with the Ministry. As per the provisions contained in Para 2.5 of the guidelines, the Scheme allows inter changeability of funds meant for SC/ST areas and in case a constituency does not have ST inhabited area, MPLADS funds may be utilized in SC inhabited area and *vice-versa*. In this regard, the Ministry was asked to furnish the State-wise details of whether this provision is being followed by the District Authorities. The Committee are pained to learn from the reply of the Ministry that these details are not required to be sent to the Ministry as per the provisions of the Scheme guidelines. It is pertinent to mention here that NABCONS has also pointed out in its monitoring report that the data with regard to implementation of works in SC/ST areas are not maintained by the District Authorities. Instead of groping in the dark, since the guidelines are issued by the Ministry itself, a provision to furnish the details of implementation of the provisions relating to development of SC/ST areas by the District Authorities should have been made in the guidelines so as to monitor its implementation by the Ministry. The

Committee, therefore, recommend that a provision should be made in the guidelines that the District Authorities should maintain a data base on implementation of the provisions including inter changeability of funds, and furnish the same on quarterly basis to the nodal departments who in turn should furnish the same to the Ministry on quarterly basis for the effective monitoring of the implementation of the provision.

REPLY OF THE GOVERNMENT

4.6 The District Authorities and State Nodal Authorities have been directed to maintain the database on implementation of provision regarding interchangeability of funds in the SC/ST areas.

(Vide Ministry of Statistics and Programme Implementation OM No. C/72/2011 – MPLADS dated 13.06.2012)

OBSERVATIONS / RECOMMENDATIONS (para 2.12)

4.7 The Committee note with dissatisfaction that the Ministry has given no information with regard to scrutiny either at its own level or at the level of the nodal departments of the information being furnished by the District Authorities in Monthly Progress Report on physical and financial progress of works executed in SC and ST areas. It is always stated by the Ministry that provision regarding development of SC/ST areas is being reviewed alongwith other issues at its own level and by the State Level Monitoring Committees. In the Committee's view, the information furnished in Monthly Progress Reports throws a good light on the works recommended sanctioned, completed, etc. for SC/ST areas. This information should be analysed and corrective steps be taken to ensure that the target percentage of expenditure is achieved. The Committee, therefore, recommend that the information furnished in MPRs should be analysed by Nodal Departments in the States and they should take up with the District Authorities where there is shortfall in achievement of results in SC/ST areas. The nodal departments should also furnish action taken reports to the Ministry on quarterly basis for the information and follow-up action by the Ministry. A provision to this effect should also be made in the guidelines in this regard.

REPLY OF THE GOVERNMENT

4.8 The position of any shortfall in achieving the results in SC/ST area will be reexamined once the Lok Sabha Committee gives this Ministry advice on para 2.2. Moreover, with the existing staff strength under MPLADS in the Nodal Departments in the States and in this Ministry, it may not be possible to analyze the data furnished by the District Authorities through Monthly Progress Reports and if allocation of such area of action is made to the District/ State Nodal Department, then it is likely that they will not be able to do justice to this work.

(Vide Ministry of Statistics and Programme Implementation OM No. C/72/2011 – MPLADS dated 13.06.2012)

CHAPTER—V

Observations/Recommendations in respect of which final replies of the Government are still awaited

observations/recommendations (para 2.5)

5.1 The Committee note that tribal areas have been notified under the Fifth and Sixth Schedules of the Constitution whereas no such notification has been issued in the case of SCs which leads to difficulties in spending funds earmarked for development of the areas inhabited by SCs. In this regard the Committee note the proposal of the Ministry that the areas where the fund should be spent for the SCs in a constituency should be demographically defined areas like wards/panchayats where the SC population is above average of SC population in the constituency as these would be the pockets of higher concentrations of SCs. In this regard, the Committee recommend that this proposal should be finalized in consultation with the Planning Commission and the same should be suitably incorporated in the MPLADS guidelines. It should also be specifically mentioned in the guidelines about the notification of tribal areas in the Fifth and Sixth schedules of the Constitution.

REPLY OF THE GOVERNMENT

5.2 As regards Scheduled Castes, this issue has been dealt with in the reply to sub para (d) of para 2.2 above. The Lok Sabha Committee is requested to further advise in the matter. As regards Scheduled Tribes, this issue is being consulted with M/o Tribal Affairs to finalize the formulation.

(Vide Ministry of Statistics and Programme Implementation OM No. C/72/2011 – MPLADS dated 13.06.2012)

OBSERVATIONS / RECOMMENDATIONS (para 2.6)

5.3 The Committee are perturbed to note that the Ministry does not maintain the list of SC areas at its level as in Ministry's view this has to be maintained by the respective District Authorities. However, the Committee observed during its visit to Maharashtra in May 2010 that SC areas are not demarcated in many districts. In regard to the status of demarcation in other States/UTs, the Ministry's reply is that there are always practical difficulties in demarcating any area as SC area due to mixed populations. In this scenario, the Committee are unable to understand as to how the funds earmarked for SC areas are effectively used for their development. Many Central and State Sector Schemes do have SC/ST components in them. So the difficulties in demarcation of SC areas for implementation of this particular Scheme are not understood by the Committee. In case the Ministry is not in a position to embark upon demarcation of SC areas and maintain the list of SC areas, the Committee recommend that

the matter should be brought to the notice of the Planning Commission for doing the needful in the matter. A comprehensive list of district-wise and constituency wise SC areas should be prepared in a time bound manner and the lists of SC and ST areas should be maintained at all the three levels of implementation viz. the districts, nodal departments and the Ministry.

REPLY OF THE GOVERNMENT

5.4 The list of SC areas in the constituency is already available with the District Authority as per the Census list and accordingly they can help the Hon'ble MPs to identify the SC areas in their constituency . It may be added that with regard to SC, once this Committee gives its guidance on sub para (d) of the reply to para 2.2, then circular guidelines can be issued to Distt. Authorities to maintain SC areas list accordingly.

(Vide Ministry of Statistics and Programme Implementation OM No. C/72/2011 – MPLADS dated 13.06.2012)

OBSERVATIONS / RECOMMENDATIONS (para 2.9)

5.5 The Committee note that the Ministry had recently issued guidelines wherein a Member of Lok Sabha could recommend MPLAD works outside his/her constituency in his/her State in case sufficient ST population is not available in his/her constituency. However, there is a proviso in this guideline that the works can be recommended only in the notified Community Development (CD) blocks with more than 50% tribal population. In this regard, the Committee came across an instance of non viability of this proposal during its Study visit to West Bengal, where in a tribal block namely Burdwan in Purulia, tribal population is 51.06%. Whereas there are many other blocks where tribal population is less than 50% and which are equally in need of developmental works. The Govt. of West Bengal has, therefore, suggested that instead of all the funds recommended by Lok Sabha MPs going to one CD block were it would be administratively difficult to spend the funds recommended by MPs, it would make a better sense to distribute the total available funds among 113 Integrated Tribal Development Projects (ITDP) blocks in the State. The Committee are of the view that such restrictive provisions, often prove to be stumbling blocks in development. Before making any provision in the guidelines, the Ministry should examine all the pros and cons of the proposals before it. The amendments to the existing provisions should pave way for further streamlining of the procedures so as to result in effective implementation of the Scheme. The Committee, therefore, recommend that the suggestion of the Government of West Bengal for applicability of this provision in the ITDP Blocks as well be considered alongwith CD blocks.

REPLY OF THE GOVERNMENT

5.6 Ministry of Tribal Affairs is being consulted in this matter in order to formulate the policy.

(Vide Ministry of Statistics and Programme Implementation OM No. C/72/2011 – MPLADS dated 13.06.2012)

OBSERVATIONS / RECOMMENDATIONS (para 2.10)

5.7 The Committee note the suggestion of the Govt. of Assam that the unutilized funds earmarked for development of SC/ST areas may be kept incrementally as a non-divertible pool to address the concerns of the development of areas inhabited by SCs/STs. The Committee also note the view of the Ministry in regard to maintaining a separate account for allocation to SC/ST areas that it will restrict the very objective of the Scheme and will also create enormous work load and inconvenience for various executing and implementing authorities including the Ministry which releases the funds. The Committee do not understand the logic behind the Ministry's view particularly when a State Government, which is implementing the Scheme at the field level, feels that there should be a non-divertible pool of funds for the development of SC/ST areas. The Committee, therefore, recommend that the Ministry should obtain the views of all the State Governments in the matter and a decision regarding maintenance of separate account for allocation to development of SC/ST areas should be taken after an in depth examination of the matter on the basis of the views of various State Governments. The necessary measures/precautions should be taken to avoid delays in release of installments of the Scheme funds which may arise due to maintenance of a separate account for SC/ST areas.

REPLY OF THE GOVERNMENT

5.8 The non-divertible pool can be examined if the Lok Sabha Committee gives its views on the matter raised in para 2.2 above as implementation of any new dispensation/ guidelines etc. suggested by LS Committee under para 2.2 is likely to change the position of unutilised funds.

(Vide Ministry of Statistics and Programme Implementation OM No. C/72/2011 – MPLADS dated 13.06.2012)

OBSERVATIONS / RECOMMENDATIONS (para 2.11)

5.9 The Committee are constrained to note that the format of the Audit Certificate does not have any separate column for SC/ST areas even though Para No. 5.5 of the guidelines states that the Audit Report should *inter-alia* cover the utilization of earmarked fund for SC and ST areas. The clarification of the Ministry in the matter that the Audit Certificate prescribed in the guidelines

contains certification of physical and financial progress for the year including that of SCs/STs is not acceptable to the Committee. It is doubtful whether the physical and financial progress of the funds allocated for SC/ST areas are covered in the Audit in the absence of any specific column in the Audit Certificate. It is learnt that a special group of Members of Institute of Chartered Accountants of India (ICAI) has been formed for examining the Audit Certificate and other accounts related aspects of the Scheme. The Committee, therefore, recommend that the Ministry should include in the format of Audit Certificate a separate column for utilization of the funds meant for the development of SC/ST areas.

REPLY OF THE GOVERNMENT

The feasibility of this will have to be examined in consultation with ICAI and the State Nodal Authorities.

(Vide Ministry of Statistics and Programme Implementation OM No. C/72/2011 – MPLADS dated 13.06.2012)

**New Delhi
December, 2012
Agrahayana,1934 (Saka)**

**A.K.S. VIJAYAN
Chairman,
Committee on Members of Parliament
Local Area Development Scheme
(Lok Sabha)**

COMMITTEE ON MPLAD SCHEME, LOK SABHA (2012-13)

MINUTES OF THE SECOND SITTING OF THE COMMITTEE ON MEMBERS OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME, LOK SABHA (2012-13) HELD ON MONDAY, 17 DECEMBER, 2012.

The Committee sat on Monday, 17 December, 2012 from 1500 hours to 1530 hours in Private Dining Room, Parliament House Annexe, New Delhi.

PRESENT

Shri Rudramadhab Ray - In the Chair

MEMBERS

2. Shri Ghanshyam Anuragi
3. Shri K. C. Singh "Baba"
4. Shri Pulin Bihari Baske
5. Shri Basori Singh Masram
6. Prof. Saugata Roy
7. Shri S. D. Shariq
8. Shri Harsh Vardhan

SECRETARIAT

1. Shri D. R. Shekhar - Director
2. Shri C. Kalayanasundaram - Deputy Secretary

2. Since the Hon'ble Chairman (Shri A. K. S. Vijayan) could not attend the sitting due to some urgent work in his constituency, the Committee chose Shri Rudramadhab Ray, Member of the Committee to act as Chairman for the sitting under Rule 258(3) of the "Rules of Procedure and Conduct of Business in Lok Sabha".

3. At the outset, Hon'ble Acting Chairman welcomed the Members of the Committee to the sitting of the Committee. The Committee then took up for consideration the draft Report of the Committee regarding Action Taken by the Government on the Seventh Report of the Committee on the subject 'Development of SC/ST areas through MPLADS funds' and adopted the Report unanimously without any amendments.

The Committee then adjourned.

APPENDIX II
(vide para 4 of the Introduction)

**ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE
RECOMMENDATIONS CONTAINED IN THE SEVENTH REPORT OF
THE COMMITTEE ON MPLADS (15TH LOK SABHA)**

I.	Total number of recommendations :	12
II.	Recommendations which have been accepted by the Government :	03 (25%)
	Para Nos : 2.1, 2.2 and 2.3	
III.	Recommendations which the Committee do not desire to pursue in view of the Government's reply :	00 (0%)
	Nil	
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee : (33.3%) and which require reiteration Para Nos : 2.4, 2.7, 2.8 and 2.12	04
V.	Recommendations in respect of which final replies of the Government are still awaited : (41.66%) Para Nos : 2.5, 2.6, 2.9, 2.10 and 2.11	05