

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

FIFTEENTH LOK SABHA

**MINISTRY OF STATISTICS AND
PROGRAMME IMPLEMENTATION**

Execution of MPLADS works through Societies/ Trusts/ NGOs

ELEVENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

May 2013/Vaisakha, 1935 (Saka)

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(Execution of MPLADS works through Societies/ Trusts/ NGOs)

Presented to Lok Sabha on 8 May, 2013



LOK SABHA SECRETARIAT

NEW DELHI

May 2013/Vaisakha, 1935 (Saka)

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

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|-----|----------------------------------|---|------------------------|
| 1. | Shri A.K.S. Vijayan | - | <i>Chairman</i> |
| 2. | Shri Ghanshyam Anuragi | - | <i>Members</i> |
| 3. | Shri K.C. Singh "Baba" | | |
| 4. | Shri Raj Babbar | | |
| 5. | Shri Pulin Bihari Baske | | |
| 6. | Shri Kuvarjibhai M. Bavalia | | |
| 7. | Smt. Bijoya Chakravarty | | |
| 8. | Shri Dara Singh Chauhan | | |
| 9. | Shri Syed Shahnawaz Hussain | | |
| 10. | Shri K. Sugumar | | |
| 11. | Shri Anant Kumar Hegde | | |
| 12. | Shri Basori Singh Masram | | |
| 13. | Shri Raghuveer Singh Meena | | |
| 14. | Shri Gopinath Munde | | |
| 15. | Shri Sanjay Dina Patil | | |
| 16. | Shri Arjun Ray | | |
| 17. | Shri Rudramadhab Ray | | |
| 18. | Shri Modugula Venugopala Reddy | | |
| 19. | Prof. Saugata Roy | | |
| 20. | Shri S.D. Shariq | | |
| 21. | Shri Balkrishna Khanderao Shukla | | |
| 22. | Chaudhary Lal Singh | | |
| 23. | Shri Thirumaavalavan | | |
| 24. | Shri Harsh Vardhan | | |

SECRETARIAT

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

INTRODUCTION

I, the Chairman of the Committee on Members of Parliament Local Area Development Scheme (MPLADS) having been authorized by the Committee to submit the Report on their behalf, present this Eleventh Report on the subject “Execution of MPLADS works through Societies/ Trusts/ NGOs” pertaining to the Ministry of Statistics and Programme Implementation.

2. The Committee on MPLADS (2011-12) had selected this subject for detailed examination. The Committee were briefed by the representatives of the Ministry of Statistics and Programme Implementation on the subject on 29 February, 2012. Then Committee took the oral evidence of the representatives of the Ministry on 22 June, 2012. Since examination of the subject remained inconclusive, the Committee on MPLADS (2012-13), selected this subject again for examination. The Draft Report on the subject was considered and adopted by the Committee at their sitting held on 02.05.2013.

3. The Committee would like to thank the Ministry of Statistics and Programme Implementation for placing before them the background notes on the subject and the replies to lists of points prepared by the Secretariat on the subject.

4. For facility of reference, the observations/recommendations of the Committee have been printed in bold letters at the end of the Report.

New Delhi

6 May, 2013
Vaisakha 16, 1935 (Saka)

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

REPORT

Introductory

1.1 The general public approach Members of Parliament (MPs) for provision of certain basic facilities including community infrastructure in their areas. The Government of India considered the need for a mechanism to respond to such requests and decided to have a scheme to meet the locally felt needs of the people. Subsequently, the Prime Minister announced in the Parliament the Members of Parliament Local Area Development Scheme (MPLADS). This is a plan scheme fully funded by the Government of India. The Scheme is implemented by the Ministry of Statistics and Programme Implementation. The objective of the scheme is to enable MPs to recommend to the concerned District Authority the works of developmental nature with emphasis on the creation of durable community assets based on the locally felt needs to be taken up in their Constituencies. Presently, an amount of Rs.5 crore is allocated to the Members of Parliament every year for implementing the Scheme. It is the responsibility of the District Authority to get the eligible works executed as per the procedure of the State Government. Right from inception of the Scheme, durable assets of national priorities viz. drinking water, primary education, public health, sanitation and roads, etc. are being created.

1.2 The Scheme is governed by a set of guidelines. The first set of guidelines were issued in the year 1994. Thereafter the guidelines were updated/ revised periodically. The Ministry of Statistics and Programme Implementation have issued the latest set of guidelines in August, 2012.

1.3 The Scheme mainly aims at creation and operation of durable assets of public utility through public authorities viz. Central, State, Union Territory and Local Self Governments. However, the Community infrastructure and public utility building works are also permissible for registered societies/ trusts. In this age of decentralization, it is quite natural that societies/ trusts/ NGOs which are rendering yeoman service to the people through their public spirited and non-profit oriented activities may be entrusted with creation and operation of public utility buildings.

However, it is equally important to ensure that the intended benefits reach the targeted people and to prevent misuse of public money by the unscrupulous elements in the form of a society/ trust. Since the provision relating to trusts/ societies are under implementation since 2001, the Committee have selected the subject "execution of MPLADS works through societies/ trusts/ NGOs" for examination of all the aspects relating to the provision including actual progress made in implementation of this provision in the guidelines.

1.4 The following three provisions of the guidelines relating to trusts/ societies/ NGOs fall under the purview of the subject selected by the Committee:-

Sl. No.	Para	Provision
1.	2.11	Execution of works through NGOs who are capable of implementing the works satisfactorily as Implementing Agencies.
2.	3.21	Community infrastructure and public utility building works permissible for registered societies/ trusts.
3.	3.25	Operation of ambulance, hearse services through private organizations.

1.5 The succeeding chapters deal with the examination of the above aspects by the Committee and the observations/ recommendations arising out of the examination.

Chapter-I

Community infrastructure and public utility building works permissible for registered societies/ trusts.

A. Genesis

2.1 As per MPLAD Scheme guidelines, 1999, the works belonging to registered societies and trusts were not permissible under MPLAD Scheme. Some Members of Parliament had then requested the Ministry of Statistics and Programme Implementation for allowing works belonging to these institutions on the plea that some of them were doing good work for public at large especially in the fields of social service/ welfare activities. Then the proposal of the Ministry of Statistics and Programme Implementation for inclusion of registered societies and trusts was considered by the Committee on MPLADS, Rajya Sabha at their meeting held on 26th April, 1999 and the Committee were not in favour of inclusion of the same, under MPLAD Scheme. Later on, an exception was allowed in respect of construction of building for unaided recognized educational institutions, run by these organizations, especially keeping in view the interests of the student community, at large, all over the country. Accordingly, the Guidelines were amended to include the provision for unaided recognized educational institutions in Item-I, Appendix-I of the Guidelines (1999).

2.2 Thereafter, the Ministry of Statistics and Programme Implementation received further representations from the Members of Parliament for allowing works belonging to registered societies and trusts as some of them were rendering valuable services. Subsequently, the Secretary, Ministry of Statistics and Programme Implementation had addressed a letter dated 22 June, 2000 to the Secretary-General, Lok Sabha submitting therein a proposal to amend MPLAD Scheme guidelines for inclusion of registered societies and trusts in the Illustrative list of works that can be taken up under MPLAD Scheme for consideration of the Committee on MPLADS, Lok Sabha. After due deliberations, the Committee in their Third Report presented to Lok Sabha on 21 December, 2000 recommended

inclusion of works belonging to registered societies and trusts engaged in social service/ welfare activities for people below the poverty line (BPL), small and marginal farmers and other small artisans and also registered societies including the Rotary and Lions Clubs engaged in construction of Blood Bank Projects subject to the following conditions enumerated below apart from other conditions as may be specified by the Government from time to time in the light of experience:-

- (i) The beneficiary organization shall be well-established and reputed one. Whether such organization is reputed or not should be decided by the District Head concerned in consultation with the hon'ble Member on the basis of relevant factors like performance in the profit operation, transparency of performance and its sound financial position. If the MP and DM differ the decision of the MP should prevail.
- (ii) The funds from MPLADS will be used for creation of durable assets which would always be available for public use at large.
- (iii) The ownership of such assets would vest in Government. The sale/ transfer/ disposal of these assets will not be undertaken without the prior approval of the Government. (Not applicable in the case of Blood Bank Projects).
- (iv) The maintenance and upkeep of assets so created will have to be ensured by the beneficiary organization in advance and the assets so created will be subject to periodical audit/ inspection by the Government.
- (v) The beneficiary organization will submit to Government annual report and its audited accounts on regular basis.
- (vi) The beneficiary organization must enter into a formal agreement in advance with the Government to comply with the above conditions before the funds from MPLADS are released to them.

2.3 Accordingly, the Ministry of Statistics and Programme Implementation circulated a letter No. C/56/2000-MPLADS dated 23 January, 2001 to all the districts of the country (**Annexure-1**) regarding permission of the works belonging to registered societies and trusts under the scheme.

2.4 In the MPLAD Scheme Guidelines issued in 2005, a para (3.21) was incorporated to exclusively deal with the provisions relating to the trusts/ societies. In the new guidelines issued in August, 2012, the provisions contained in the paragraph were spread into four sub paragraphs viz 3.21.1 to 3.21.4. Moreover, the Ministry had fixed an annual ceiling of Rs. 50 lakh for works trusts/ societies during 2011-12. This aspect was also included in the new guidelines. The following provisions were available in the new guidelines when it was issued in August, 2012:-

3.21 Community infrastructure and public utility building works are also permissible for registered Societies/Trusts under the Scheme, provided that the Society/Trust is engaged in the social service/welfare activity and has been in existence for the preceding three years. The existence of the Society/Trust shall be reckoned from the date it started its activities in the field, or the date of registration under the relevant Registration Act, whichever is later. The beneficiary Society/Trust shall be a well established, public spirited, nonprofit making entity, enjoying a good reputation in the area. 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.

3.21.1 The ownership of the land may remain with the Society/Trust, but the structure constructed with MPLADS funds shall be the property of State/UT Government. The Society/Trust shall undertake to operate, maintain and up keep at its cost the asset created under MPLADS. If at any time, it is found that the asset created with MPLADS funds is not being used for the purpose for which the asset was funded, the State/UT Government may take over the asset and proceed to recover from the Society/Trust, the cost incurred from MPLADS for the creation of asset along with interest at the rate of 18% per annum calculated with effect from the date of use of MPLADS fund for the works concurred. A formal agreement (a model agreement form is at Annex-V) will be executed by the Society/Trust with

the District Authority in favour of the Government in advance for the purpose. This agreement will be registered under the relevant Registration Act on a non judicial stamp paper of Rs.10 or more, as is applicable in the State/UT. No stamp duty would be required to be paid for registration as there is no formal transfer of assets.

3.21.2 Not more than Rs.25 lakh, can be spent from MPLADS fund, for one or more works of a particular Society/Trust in the lifetime of that society/trust . If a Society has already availed of MPLADS funds up to Rs. 25 lakh, no more funds can be recommended for that Society/Trust under the Scheme. From the financial year 2011-12, an MP can recommend funds, only upto Rs.50 lakh in all, in a financial year from MPLADS funds for works to Societies/Trusts. The recommendation made by Hon'ble MPs for the period prior to the financial year 2011-12 is to be regulated as per the guidelines existing before the issue of the Circular dated 15.06.2011. The recommendations made after issue of the Reform Circular dated 15.06.2011, though in respect of earlier years, will be regulated as per Circular dated 15.06.2011.

3.21.3 The MPLADS funding is not permissible to a Society/Trust, if the recommending MP or any of his/her family members is the President/Chairman or Member of the Managing Committee or Trustee of the registered Society/Trust in question. Family members would include MP and MPs spouse which would comprise of their parents, brothers and sisters, children, grandchildren and their spouses and their in-laws. MPs may ensure the spirit of the guidelines is maintained by avoiding circular or mutual funding of Trusts/Societies.

3.21.4 Further, when funds are recommended towards a Society/Trust by a Member of Parliament and clarifications/documents as required under the Guidelines for scrutiny before sanctioning are requested by the District Authorities, the said Society/Trust should provide the requisite documents within a maximum period of three months from the date of receipt of the letter from the district administration. In case the documents are not received even after a period of three months, the district administration can send two reminders within a month. If the required information is still not received, the recommendation by the MP towards the Society/Trust may be treated as cancelled by the district administration and intimation of the same may be given to the recommending MP.

B Implementation and the issues related thereto

(i) Implementation of the provision

2.5 In order to assess the implementation of the provisions relating to the trusts/ societies, the Ministry was requested to furnish State-wise details of the funds recommended, sanctioned and the actual amount utilized and the number of works recommended, sanctioned and actually carried out by registered Societies/ Trusts during each of the last five years. In its written reply, the Ministry had stated, "Ministry does not maintain the details of the works recommended in MPLAD Scheme and such information is maintained by the district authority. In this regard, the Ministry is fully dependent on the data uploaded on the Work Monitoring Software available in MPLADS website by the district authority. The present software does not capture the required information specific to Registered Trust/ Societies. However, all State/ UT governments have been requested to furnish the details of the funds received by the registered Societies/ Trust under MPLADS in their State/ UT **(Annexure-II)**. On receipt of the information, the same will be furnished to the Lok Sabha Secretariat."

2.6 The Ministry was further asked, whether any analysis was made by the Ministry regarding usefulness of this provision in regard to the creation of durable assets to fulfill the local needs of the people. In this regard the Ministry had stated that it had not made any analysis regarding usefulness of the provisions. However, the Ministry had engaged NABCONS for physically monitoring of MPLADS from 2007-08 to 2010-11. It was further stated that the NABCONS study covered 208 districts in all and also the works recommended to Trusts/ Societies in those districts. The NABCONS had not specifically commented upon the usefulness of Trusts/ Societies, however, observation on the Trusts/ Societies under MPLADS had been made. For example in case of one district, NABCONS observed, "majority of the sample works (86%) of cost above Rs.5 lakhs each were recommended to Trusts/ Societies. As the data on works recommended/ for

Trusts/ Societies at district level were not maintained / available at DA office, the above pattern of majority of the bigger projects being allotted to Trusts/ Societies under the scheme shows biased distribution".

2.7 When it was further enquired whether it came to the notice of the Ministry that any of the assets created were not used for the purpose for which they were handed over to the registered Societies/ Trusts since this provision was incorporated in the guidelines and the action taken by the Ministry on receipt of such information, the Ministry furnished the details of five such sample cases. Out of which one case was reported by C&AG and four cases by NABCONS. The details of the findings are at **Annexure-III**. In regard to the action taken, the Ministry has stated that the concerned District Authorities were requested to take corrective action wherever deviation from MPLADS Guidelines were observed in implementation of MPLAD Scheme and also requested to implement the MPLAD Scheme in accordance with the Guidelines.

2.8 The Ministry was also requested to state whether any findings were made by NABCONS in its various phases of monitoring regarding implementation of provisions contained in para 3.21 and to furnish the details of the same. The details of the findings of NABCONS are at **Annexure-IV**. When the Ministry was asked about the action taken by it on the findings, it was stated in a written reply that the concerned district Authorities were requested to take corrective action wherever deviation from MPLADS Guidelines were observed in implementation of MPLAD Scheme and also requested to implement the MPLAD Scheme in accordance with the Guidelines. In respect of the above noted suggestion it was to say that the credibility of Registered Societies/ Trusts will be guided by Para 3.21 of the MPLADS Guidelines.

2.9 As per para 6.4 (v) of the guidelines, the District Authority will inspect all the works executed by/ for societies and trusts under MPLADS and ensure that the agreement conditions are being complied with. In case of violation of any of the provisions of the agreement, action as per the agreement shall be taken by the District Authority. In this regard, the Ministry was requested to furnish the state-wise details of implementation of the above provision by the District Authorities for the past two years. The Ministry in a written reply stated, "it does not maintain details of the works recommended in MPLAD Scheme and such information is maintained by the district authority. District Authority is required to implement the MPLAD Scheme adhering to the MPLADS Guidelines. However, the required information has been sought from State/ UT Nodal Department (**Annexure-V**). On receipt of the information, the same will be furnished to Lok Sabha Secretariat". If this provision is implemented properly, it will ensure creation of community assets which will fulfill the locally felt needs. When the Ministry was asked about the hindrances in this regard, it was stated in its written reply, "Micro-management with regard to the implementation and monitoring of the Scheme lies with the District Authority. However, it may be appreciated due to overloaded with variety of Central/ State Schemes, District Authorities may not in a position to inspect all the works sanctioned to Trusts/ Societies".

(ii) **Verification of credentials of a Trust/ Society**

2.10 As per the guidelines, a beneficiary Society/ Trust shall be a well established, public spirited, non-profit making entity, enjoying a good reputation in the area. In this regard the Ministry was asked whether any suggestions/ recommendations were made by NABCONS in its various phases of monitoring on the works permissible to societies. In its written reply, the Ministry has stated that it has been suggested by the NABCONS in its Report on Phase-II monitoring that a list of specific documents that need to be verified for identification of veracity and

credentials of a Trust/ Society as Implementing Agency must be indicated in the scheme guidelines.

For example, the following list was suggested for the benefit/ use of the District Authorities:-

- Registration Certificate
- List of Members in the Managing Committee
- Annual Report for the last three years
- Audit Report for the last three years
- Documents supporting the ownership of land
- Enquiry report of the Additional District Magistrate
- Enquiry report of BDO, District Collector Office about reputation/ activities of NGO/ Trust.
- Other similar documents as available.

2.11 The Ministry was asked whether any steps have been taken on the above suggestions of NABCONS. The Ministry in its written reply had stated that it has been stipulated in Para 3.21 of the MPLADS Guidelines, that the reputation of a Society is to be examined scrupulously by the District Authority concerned on the basis of the relevant factors, like performance in the field of the social service, welfare activities, transparency of its activities and sound financial position. District Authority is required to verify such documents of the Society/ trust in order to arrive at decision following all due process.

(iii) Definition of family

2.12 Para 3.21.3 of the guidelines provides that the MPLADS funding is not permissible to a Society/Trust, if the recommending MP or any of his/her family members is the President/Chairman or Member of the Managing Committee or Trustee of the registered Society/Trust in question. Family members would include

MP and MP's spouse which would comprise of their parents, brothers and sisters, children, grandchildren and their spouses and their in-laws. In this regard, the Committee on MPLADS (Lok Sabha) in their 15th Report had recommended to amend the definition of family in the following manner:-

- (i) MP and his/ her spouse;
- (ii) Sons and daughters of MP and their spouses;
- (iii) Parents of MP and his/ her spouse;
- (iv) Brothers and sisters of MP and his/ her spouse;
- (v) Spouses and children of the brothers and sisters of the MP and his/ her spouse; and
- (vi) Grandchildren of MP.

2.13 The Ministry did not accept the recommendation. In this regard, when it was asked to state whether there is any proposal to amend the guidelines as recommended by the Committee, the Ministry in a written reply stated as under:-

"There is no proposal to amend the guidelines in respect definition of family. While formulating the Guidelines on MPLADS, the definition of family was adopted based on consensus arrived at that time. It is further reiterated that the definition of 'Family' was deliberated upon in both the committees on MPLADS i. e. Lok Sabha and Rajya Sabha, while revising the Guidelines in the year 2005 and adopted their considered views. The views on the definition of family were sought from the ministry of Law & Justice, Department of Legal Affairs who examined the definition adopted in the Guidelines on MPLADS. The Department of Legal Affairs was of the view that there may not be any legal objection to continue with the definition of 'Family' given in the MPLADS Guidelines. Therefore, Ministry feels that the present definition of family is an inclusive definition and is necessary to save criticism of the Scheme."

C Ceiling per society/trust and the annual ceiling for all societies/trusts

(i) Ceiling per society/trust

2.14 First circular **(Annexure-I)** of the Ministry which permitted use of MPLADS funds for registered society/trust did not fix any ceiling for recommendation of funds to registered trusts/societies. However, the MPLADS guidelines (April, 2002) stipulated that it would ideally be desirable that the MPs suggest individual works costing not more than Rs. 25 lakh per work. In this regard, the clarifications were sought by the implementing authorities whether this provision is applicable to trusts/societies which run more than one institution. The Ministry subsequently issued a circular No. 24/33/98- MPLADS dated 24 February, 2002 **(Annexure-VI)** in which it was clarified that the limit of Rs. 25 lakh is to be made applicable to a trust society as a whole if a particular society/trust has more than one institution or more than one work for that institution. In the MPLAD Scheme guidelines issued in November, 2005 it was further clarified that if a society has availed of the MPLADS funds upto Rs. 25 lakh, no more work can be recommended for that society/trust under the Scheme.

2.15 In regard to the above mentioned ceiling of Rs. 25 lakh and the annual ceiling of Rs. 50 lakh, 25 MPs from Lok Sabha in a Joint representation (dated 28 December, 2011) submitted to the Hon'ble Chairman, Committee on MPLADS (Lok Sabha) stated as under:-

"The above mentioned clause has practically denied help from MPLADS to several educational institutions, which do not have basic facilities and especially in interior areas. Some societies have established schools in areas where the facilities for education are less and when they approach us for funds, the present modified clause has become a stumbling block. Many schools for which funds have been allocated are more than 50 years old and in a dilapidated condition and even for a single building, Rs. 25 lakh is inadequate, considering the cost of construction. Community Centres and Kindergarten/Cruche etc. are required in many areas which are initiated by societies and Trusts and the present clause cause hindrance for allocation of funds. In view of this, urgent necessary steps have to be taken to withdraw this modified clause, as many of us have already allocated funds to these institutions and they are now not in a position to use it".

2.16 Above views of the MPs were brought to the attention of the Ministry and they were asked whether there is any proposal to increase the ceiling of Rs. 25 lakh per society/Trust particularly in view of the recent increase in annual allocation to Rs. 5 crore per MP and if not what are the reasons therefor. In this regard, the Ministry replied then that there was no such proposal in the Ministry and that the MPLADS funds were meant for community development works, based on the felt needs of the people. Since the Ministry did not have any data on implementation of the provision, it was asked, how did it come to the conclusion that the funds are not used for community development. In its written reply, the Ministry stated, "the main aim of MPLAD Scheme is for addressing the needs of the community at large on priority sectors like viz. drinking water, primary education, public health, sanitation and roads etc. As per MPLADS guidelines, the funds under MPLADS to Registered Societies/Trusts can only be used for creation of building and the same may not serve the purpose of the Scheme for which it has been created". However the Ministry vide its circular No. C/23/2011-MPLADS (Vol. II) dated 30 November, 2012 enhanced the ceiling per society/trust to Rs. 50 lakh.

(ii) Annual ceiling for recommendation of funds to all societies/trusts.

2.17 Till 2010-11, there was no annual ceiling for recommendation of MPLADS funds to trusts/societies. In order to revise the guidelines, Ministry held a national consultation Meeting on 20.12.2010 with Secretaries of State/UT Nodal Departments and DCs/DMs, for getting field level experience in implementation of MPLAD Scheme. Based on their field experience, most of the participants suggested to restrict the annual financial ceiling to Rs. 50 lakh for works relating to various Societies/Trusts so that balance of MPLADS fund could be used for creation of community assets based on the felt need of the people. Subsequently, the Secretary, Statistics and Programme Implementation addressed a D.O. letter No. C-6/2011 – MPLADS dated May 26, 2011 to the Hon'ble Chairman where in it

was *inter alia* stated that keeping in view the increase in annual allocation to Rs. 5 crore, the Ministry intended to enhance the basket of eligible works provided under the MPLADS Guidelines so that benefits of the scheme reach the vast majority of people at the grassroots level in the constituency and to simplify the procedures and bring greater brevity and clarity to MPLAD Guidelines. In order to achieve the above, the Ministry submitted a few proposals for modification of the MPLADS guidelines for the consideration of the Committee. One of the proposals was as under:-

"Under the present MPLAD Guidelines, community infrastructure and public utility building works are permissible for registered Societies/Trusts with certain conditions. However, there is no annual limit of contribution to Trusts/Societies by a particular MP. It is now proposed that not more than Rs. 50 lakh in all may be recommended by an MP in a financial year for various Societies/Trusts so that more funds are available for community infrastructure works for the vast general public in the constituency, including rural areas".

2.18 Above matter was placed before the committee alongwith other proposals at their sitting held on 7 June, 2011 and the proposal was approved by the Committee. Subsequently, the Ministry issued the circular No. C/23/2011-MPLADS dated 15 June, 2011 (**Annexure – VII**) which *inter alia* stated that an MP can recommend funds, only upto Rs. 50 lakh in all, in a financial year from MPLADS funds for works to societies/Trusts. Then the Ministry forwarded, vide its communication dated 14 october, 2011, a copy of indetical letters submitted by S/Shri Yashvir Singh, Mithilesh Kumar, Jagdambika Pal and Ashok Argal, MPs (LS) and S.P. Singh Baghel and Mohammad Adib, MPs (RS). The Members *inter-alia* suggested in their letters as under:-

- (i) The cap of Rs. 50/- lakhs should be removed so that schools, societies located in remote areas may be benefited and education may be spread throughout the country; and

- (ii) Basic amenities and infrastructure in remote/inaccessible areas all over the country can be provided only through their MPLADS funds while the aforesaid circular/letter seeks to hinder that process.

2.19 The Ministry also forwarded a joint representation dated 8 December, 2011 received from Shri Vijay Bahadur Singh and sought the views of the Committee. The joint representation was signed by 115 MPs. In the joint representation MPs objected to the new ceiling. As already stated, 25 MPs in their letter addressed to the Hon'ble Chairman also expressed their opposition to the annual ceiling. The matter was therefore, again placed before the committee at their sitting held on 14 December, 2011. The Committee decided that annual ceiling of Rs. 50 lakh for trusts/societies may be waived. The decision of the Committee was conveyed to the Ministry. In turn the Ministry solicited the views of the Committee on the recommendations contained in paras 60 and 71 the Report of Shri V. Kishore Chandra S. Deo Committee to inquire into the allegations of improper conduct on the part of some Members in the matter of implementation of MPLAD Scheme.

The extracts of the paras 60 and 71 are as under:-

"Keeping in view the aberrations in execution and implementation of MPLAD Scheme as also its various lacunae that have come to light, the Committee feel that it is about time the Union Government revises the guidelines governing the MPLADS to plug various loopholes and lacunae to make it truly effective. One suggestion which the Committee would like to put forward in this direction is that NGOs and private institutions be barred from getting any funds under MPLADS, since it is felt that most of such NGOs are merely facades for unscrupulous organizations formed to usurp funds from MPLADS, which are meant for community Development works".

"The Committee further recommend that the Union Government may suitably revise the guidelines governing MPLADS with a view to plug various loopholes and lacunae. the Government while revising the guidelines may also consider the suggestions made by the Committee in this regard in para 60 of their Report".

2.20 Since the above report was presented to the Parliament in the year 2006, the Ministry was specifically asked, what action was taken by the Ministry on the recommendations . In this regard, the Ministry replied that it had sought the views of both the Committees on MPLADS on the recommendations/observations. It is pertinent to mention here that the views of the Committee were first sought by the Ministry only on 8 December, 2011. Since the said Report was presented to the parliament in 2006, the Ministry was requested to furnish the details of the action taken reply given to the parliament on the Report. In its written reply, the Ministry stated that no reference with regard to the Report of V. Kishore Chandra S. Deo Committee on MPLAD scheme which was presented to parliament in 2006 was received so far in that Ministry either from the Lok Sabha Secretariat or from the Ministry of parliamentary Affairs. The reference of the report had come to the notice of the Ministry from the Public domain during the revision of MPLADS Guidelines.

2.21 This issue was discussed during the sitting of the Committee held on 29 February, 2012 wherein a representative of the Ministry drew the attention of the Committee to the paras 60 and 71 of the Report of the Kishore Chandra Deo Committee and to the following submission made by Shri Pranab Mukherjee in the Parliament on implementation of the above recommendations of the Committee:-

"At the same time, Mr. Speaker, Sir, two other important recommendations have been made by the Hon'ble Committee. I would also like to suggest that these should be examined. Both the recommendations are to the Government. The first is that while dealing with the subject they pointed out that they came to the conclusion that in the course of the examination that there are certain lacunae in the guidelines of the MPLADS, therefore, they have suggested to the Government and Parliament can also put its contribution because there is a Parliamentary supervisory Committee to look into the functioning of the MPLADS that those lacunae should be removed and the guidelines should be revised ".

2.22 When the representative of the Ministry solicited the views of the Committee on the above recommendations, the Committee clearly expressed their earlier decision that the ceiling of Rs. 50 lakh per annum should be removed and desired that the issue should be discussed with the Minister.

2.23 Moreover, the analysis of the implementation of the provision clearly shows that the Ministry neither maintains the details of the funds recommended, sanctioned and utilized for MPLADS works permissible for registered trusts/societies nor it had made any analysis of the usefulness of this provision. It was, therefore, asked, how did it arrive at this decision to fix an annual ceiling without any data. In its written reply the Ministry had stated, "the objective of the MPLAD Scheme is for creation of durable community assets of national priorities viz. drinking water, primary education, public health, sanitation and roads etc. for the benefit of community at large. The annual ceiling of Rs. 50 lakhs for Trust and Societies has been kept so that the balance amount under MPLADS can be used for creation of assets for priority sectors based on the needs of the community at large. However, the Ministry in its circular No. C/23/2011-MPLADS (Vol. II) dated 30 November, 2012 **(Annexure – VIII)** had stated that it has been decided to modify the relevant portion of para 3.21.2 of the Guidelines as follows on the ground that the annual allocation of MPs have been increased from Rs. 2 crore to Rs. 5 crore and the cost of works/projects being recommended by MPs has increased manifold:-

"Not more than Rs. 50 lakh, can be spent from MPLADS fund, for one or more works of a particular Society/Trust in the lifetime of that Society/Trust. If a Society has already availed of MPLADS funds **upto Rs. 50 lakh,** no more funds can be recommended for that Society/Trust under the Scheme. From the financial year 2012-13, an MP can recommend funds, **only upto Rs. one crore in all,** in a financial year from MPLADS funds for works to Societies/Trusts. The recommendation made by Hon'ble MPs for the period prior to the Financial year 2012-13 is to be regulated as per guidelines existing during the period"

2.24 After the above enhancement in the annual ceiling, S/Shri Ashok Argal, Mithelesh Kumar, Jagdambika Pal and Yashvir Singh, Members of Lok Sabha and Shri Mohammad Adeeb, Member of Rajya Sabha wrote letters to the Hon'ble Speaker and to Hon'ble Chairman drawing their attention to the recently enacted "Right to Education Act" and the seriousness shown by the Government in the light of recommendations of Sachchar Committee, Members stated in their letters that the Act covers all the communities, religions and sections of the society, yet it had been observed that the Ministry of Statistics and Programme Implementation, Govt. of India has fixed the ceiling of Rs. 50 lakh to be recommended by any MP from his/her MPLAD fund for trusts/societies. The Members had further stated that an MP from Lok Sabha represents more than 10 lakhs people and an MP of Rajya Sabha represents the entire State, thence, the amount of Rs. 50 lakh has not been found sufficient to be spent on education of the children of interior villages. Apart from this, the cost of construction material for rooms, toilets, verandah etc. is too high that the amount of Rs. 50 lakhs can never be sufficient to uplift the education system, for which the Act had been made.

2.25 In view of the recent increase of the annual allocation of MPLADS fund from Rs. 2 crore to Rs. 5 crore, the Members had requested to enhance the ceiling from Rs. 50 lakh to Rs. 2.50 crore at the earliest. The letters of the Members were forwarded to the Ministry of Statistics and Programme Implementation for its comments. In reply, the Ministry had stated in its communication dated 10 January, 2013 that the matter had been examined and conveyed that individual ceiling for trusts/societies is Rs. 50 lakh per annum and the annual ceiling for all trusts/societies is Rs. 1 crore from the financial year 2012-13 as mentioned in their circular dated 30 November, 2012.

CHAPTER – II

A. Execution of works through NGOs

3.1 Para 2.11 of the guidelines deals with the identification of implementing agencies by the District Authorities. The para *inter-alia* states that the District Authority may choose reputed NGOs which are capable of implementing the works satisfactorily as implementing agencies. However, whenever an NGO is selected as implementing agency, it should have the requisite expertise in the chosen field of execution. The NGO should preferably be of National repute and should be selected by a Committee under District Authority. The Implementation through NGO thereafter can follow State procedures.

(i) Implementation

3.2 In regard to the above provision, the Committee asked for the state-wise details of the number of NGOs engaged as Implementing Agencies by District Authorities during the last 3 years and enquired whether the works done by them were satisfactory. In reply, the Ministry stated, "Selection of implementing agency for executing the eligible recommended works is the responsibility of the concerned district authority and Ministry does not maintain data in this regard. However, the required information has been sought from State Nodal Departments (Annexure II). The information will be furnished on receipt of the same".

(ii) Necessity of having NGOs as Implementing Agencies

3.3 In regard to this provision, a representative of the Ministry informed the Committee during evidence as under:-

"Coming to the involvement of NGOs and societies' interests, guidelines provide that the district authority may identify the implementing agency, which can be a Government agency or it can chose a reputed NGO as capable of implementing the work satisfactory as implementing agency. this is given in Para 2.11 of the MPLAD guidelines. This has also recently been an agenda point in the All India Review Meeting that we had with the State Governments and where this point was emphasized. This meeting was attended by all the State representatives, nodal authorities; State Planning Secretaries as well as we called Deputy commissioners and

District Magistrates. The Ministry opined that it was worth examining to involve reputed NGOs in the development work, especially, reputed NGOs. It is because there is always a shortage of implementing agencies; the implementing agencies are always limited. Therefore, we have pointed out that this provision is available in the guidelines. There are NGOs, which are working in a specific field and capable of delivering the higher quality, for example, there could be good NGOs like Rama Krishan Mission, Red Cross and Sulabh International in the case of sanitation, etc., after assessing their suitability by the District Magistrate"

3.4 In this regard, when the Ministry was asked whether this suggestion was contrary to the recommendation of Shri Kishore Chandra Deo committee, it was stated by the Ministry in a written reply "The NGO/trust mentioned in the report of the Committee headed by Shri Kishore Chandra S. Deo belong to the group of trusts/Societies who are getting funds for creation of assets for their individual purpose i.e. the agencies are user agencies of MPLADS and not an Implementing Agency who are entrusted to carry out the projects for Govt. for community purpose ".

3.5 Thereupon the Committee pointed out that on the one hand the Ministry don't want to give any MPLAD fund to trusts/societies and on the other hand they want to involve NGOs as implementing agencies on behalf of the Government and enquired, how will the Ministry ensure that the NGOs do not misuse funds by creating sub standard assets. In its written reply, the Ministry had stated as under:-

"The Ministry like to involve the reputed NGO in order to promote the developmental agenda of the Govt. and facilitate the people for better livelihood and amenities. Even though a provision is there in the MPLADS Guidelines for entrusting the implementation of MPLAD Scheme to reputed NGO, it is the responsibility of the District Authority to examine the suitability, appropriateness and the integrity of an NGO to take up a particular work before entrusting the same to it. During the process of construction, the District Authority is required to monitor the progress in implementation of the Scheme along with its quality ".

3.6 However, the Ministry vide letter No. C/16/2009-MPLADS dated 16 April, 2013 has informed that they have decided to modify Para 2.11 of the MPLADS Guidelines as follows:-

- (i) The District Authority shall make the selection of an appropriate Implementing Agency through which a particular work recommended by an MP would be executed;
- (ii) The selection of the Implementing Agency shall be undertaken in accordance with the State Government rules/ guidelines applicable for the purpose. Provided that for certain works in certain Central Government Ministries/ Organisations (like Railways) where the Implementing Agency has necessarily to be the concerned Central Government Ministry/ Organisation, the same shall be selected as the Implementing Agency.

B. Operation of ambulance/hearse services through private organizations

3.7 As per the Scheme guidelines, 2005, purchase of all movable items except vehicles, earth movers and equipments meant for hospital, educational, sports, drinking water and sanitation purposes belonging to Central, State, UT and Local Self Governments was prohibited under MPLAD Scheme. In this regard, Shri Rupchand Pal, Ex-MP, had requested that the organizations of international repute like the Indian Red Cross Society which have been historically rendering very valuable service to the victims of different calamities and adverse situations, should be provided with ambulance out of MPLAD Scheme funds. Accordingly, the committee recommended in the Third Report (15th Lok Sabha) that the ambulance can be provided to reputed service organizations like Red Cross, Rama Krishna Mission, etc. without any restriction on the cost of vehicle. In its action taken reply, the Ministry has inter-alia proposed to allow MPs to recommend purchase of ambulances which could be opened in the following manners:-

"The ambulance could remain in ownership of District Administration/Chief Medical Officer of the District who would be free to enter into management contract(s) to be entered as per State procedure with reputed service organization/NGOs to be evaluated/decided by the District Administration.

Or

The district Administration through CMO can itself maintain the above service against fixed fee/charges."

3.8 In the Sixth Action Taken Report (15th Lok Sabha) the Committee recommended that it should be left to the concerned MP to decide whether the ambulance should be given to a Government hospital or to a reputed service organization as per the local needs of the area. The Committee, therefore, recommended that the ambulance should be placed at the disposal of only such organization for which it is recommended by an MP. However, the Ministry in its new guidelines issued in August, 2012 has made inter-alia the following provisions:-

"Ambulances/Hearse Vans. (Para 3.25) – Vans are already allowed to be purchased, by the District Authority/CMO/Civil Surgeon of the District on the recommendation of a Member of Parliament. the scope is now widened to allow operation of ambulance/hearse services through private organizations.

- (a) Ambulance/Hearse vans will be purchased with the recommendation of the CMO/Civil Surgeon/District Magistrate on the proposal of the Member of Parliament;
- (b) The ownership of the ambulance/Hearse vans so purchased would rest with the District Authority/CMO/Civil Surgeon and will be under the general supervision of the CMO/Civil Surgeon. The CMO/Civil Surgeon may outsource it for running/operation for a two years period at a time to National/State level trusts/societies of repute under a management contract after following a transparent process and on the recommendation of a 3 member Committee consisting of CMO/Civil Surgeon and two other representatives of District Magistrate and duly approved by District Magistrate.

Observations/Recommendations

4.1 The Committee note that the Ministry has increased the ceiling of MPLADS Funds that can be recommended to an individual society/trust from Rs.25 lakh to Rs.50/- lakh and the annual ceiling to all trusts/societies from Rs.50 lakh to Rs.1 crore subsequent to the increase in annual allocation of MPLADS funds to Rs.5 crore. The Committee examined the necessity of these ceilings and it was learnt from the replies furnished by the Ministry that these ceilings were put in place by it on the basis of discussions held with the State/District Authorities. However, it is disheartening to note that the Ministry has neither conducted any on-the-field study on implementation of provisions relating to the trusts/societies except a few sample inspections by NABCONS nor it is maintaining the records of the works awarded to trusts/societies. In Committee's view, any policy changes should be initiated by the Government only on the basis of indepth on-the-field study and analysis of the records of implementation of the Scheme. Moreover, the guidelines of the Ministry should aim to be prohibitory towards trusts/societies that indulge in scandalous activities to snatch public money for the selfish purposes and at the same time be enabling to trusts/societies that are engaged in providing exemplary services to the poor and needy. The Committee, therefore, recommend that the trusts/societies which are providing true service to the poor and needy may be allowed to use the MPLADS funds over and above the ceilings fixed by the Ministry. In such cases, the Ministry may provide approvals to those societies/trusts on case-to-case basis on the basis of report by the District Authorities.

4.2 The Committee take a serious view that the Ministry does not maintain the details of the works recommended under the MPLAD Scheme. The Ministry is dependant on the data uploaded on the Work Monitoring Software available in the MPLAD Scheme website by the District Authorities.

In this regard, it is disheartening to note that the present Work Monitoring Software does not capture the information specific to trusts/societies. As such, the Ministry is not maintaining any information at its level about the works recommended, sanctioned and executed for trusts/societies under the Scheme. The Ministry is the nodal agency responsible for implementation of the Scheme including policy formulation. It is imperative that the Ministry makes continuous analysis of the actual implementation of the Scheme so as to make changes in the policy for effective implementation of the Scheme. The kind of replies furnished by the Ministry to the questions raised by the Committee on the subject shows that it is apprehensive of the credentials of the trusts/societies. However, the corresponding measures such as maintenance, analysis and verification of the details of implementation of the provisions relating to trusts/societies and appropriate action based on them is absent on the part of the Ministry. Making available the details of works awarded to trusts/societies in Work Monitoring Software will not only help the Ministry and the nodal departments to analyse the progress of implementation and will also prove to be deterrent to the erring societies/trusts. The Committee, therefore, recommend that immediate steps should be taken to capture the details of the works recommended, sanctioned and executed for trusts/societies and the corresponding amount involved therein. Such information to be made available by the District Authorities should be analyzed by the Ministry and the nodal departments in the States/UTs for appropriate action in case of violations by the trusts/societies.

4.3 The Committee are concerned to note that the Ministry is unable to implement its guidelines on trusts/societies. As per Para 6.4(v) of the guidelines, the District Authorities have to inspect all the works executed by/for societies and trusts and ensure that the agreement conditions are complied with. The Committee are perturbed to note that the Ministry has expressed its inability to maintain statistical data pertaining to the

implementation of this provision and the same is maintained by the District Authorities. NABCONS in its monitoring report has pointed out that the District Authorities have not inspected all the works of trusts/societies as required by this provision. Instead of taking stern action against those District Authorities who have not inspected the works of trusts/societies, the Ministry is contended by stating that they may not be in a position to inspect all the sanctioned works to societies/trusts as they are overloaded with variety of Central/State Schemes. Just making a guideline and leaving everything to the District Authorities is one of the reasons for the hindrances encountered in smooth implementation of the Scheme. Moreover, the guideline should be practical and easy to follow. Since the Ministry is not sure that the District Authorities inspect all the works pertaining to trusts/societies, the Committee recommend that the requisite information whether all the District Authorities are adhering to this provision and if not, the reasons therefor should be immediately obtained from the nodal departments of the States/UTs and the Ministry should fix an appropriate percentage of works that should mandatorily be inspected by the District Authorities.

4.4 The Committee note from the guidelines that a beneficiary society/trust shall be a well established, public spirited, nonprofit making entity, enjoying a good reputation in the area. And such credibility of a society /trust 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. However, the Committee are concerned to note that the specific documents that need to be verified for establishing credentials of a trust/society have not been mentioned in the guidelines. This is in contrary to the recommendations of Shri V.Kishore Chandre Dev Committee which had suggested that the Union Government should revise the guidelines to plug various loopholes and lacunae to make it truly effective. It is the

responsibility of the District Authority to screen the credentials of the trusts/societies scrupulously before sanctioning works to them. Since the Ministry have not prescribed any particular documents to be verified by the District Authority before sanctioning works to trusts/societies, above provisions do not offer any foolproof methods to verify their true identity. In this regard, NABCONS in its Report on Phase II monitoring had suggested a list of specific documents that need to be verified for identification of veracity and credentials of a trust/society. The documents include Registration Certificate, list of members in the Managing Committee, Annual and Audit Reports for three years, documents supporting the ownership of land, etc. In Committee's view, proper verification of the documents suggested by the NABCONS before awarding works to trusts/societies will provide solution to the number of difficulties being faced by the Ministry in implementation of this provision. The Committee, therefore, recommend that a list of specific documents as suggested by NABCONS should be mentioned in the MPLADS guidelines for their certain verification before sanctioning works to trusts/societies.

4.5 The Committee are pained to note that the Ministry has neither made any analysis on usefulness of the provision relating to trusts/societies nor any effort was made to inspect a specific percentage of works pertaining to trusts/societies through NABCONS which has been engaged by the Ministry to monitor the Scheme. The decisions regarding trusts/societies are made by the Ministry only on the basis of oral suggestions made by the State Govt. officials in the Biannual Review Meetings and other interactions held with them. Continuous monitoring and analysis of the outcome of the monitoring are essential to ascertain whether a society/trust which has got MPLADS has bonafide intentions of public service. The Committee, therefore, recommend that 25% of the sample works chosen for monitoring by NABCONS should be pertaining to trusts/societies. An assessment / study must be made to the effect / usefulness of the works pertaining to

societies/ trusts for which MPLAD funds are recommended and utilized by them. On the basis of the findings of the NABCONS' Reports, the appropriate action should be taken against those trusts/societies which violates the provisions of the guidelines in the cases of violations.

4.6 The Committee are constrained to note that 14 out of 22 cases pointed out by NABCONS, in its Reports on various phases of monitoring, were pertaining to sanction of works worth more than Rs. 25 lakh which was the ceiling when those inspections were carried out by NABCONS. In these cases, the district authorities concerned were at fault as they should have rejected those recommendations. A Member of Parliament makes recommendation based on the local needs and the demands of the constituents. It is the responsibility of the District Authorities to examine the recommendations scrupulously according to the guidelines. The Committee note that the district authorities concerned were requested to take corrective action wherever deviation from MPLADS Guidelines are observed in implementation of the Scheme. Merely requesting the District Authorities may not yield the desired results, the Committee, therefore, recommend that such cases should individually be pursued for appropriate action. This would also prove to be deterrent for others.

4.7 The Committee are surprised to note that the Ministry has opined to the States that it is worth examining to involve reputed NGOs as implementing agencies. On the one hand, the Ministry is skeptical of the credibility of trusts/societies and on the other hand it encourages engagement of NGOs as implementing agencies without prescribing proper qualifications and criteria for their selection by the District Authorities. The Committee expect that the Ministry should adopt level playing field approach towards all the stake holders while implementing a Scheme. Since NGOs are private organizations like trusts/societies, it is essential that they should also be selected as implementing agencies after following a transparent process.

Present guidelines merely states that an NGO selected as implementing agency should have the requisite expertise in the chosen field of execution and preferably be of national repute. Moreover, it has been stated that a Committee under District Authority should select it. In this regard, the Committee are of the firm view that stringent criteria should be fixed for identification and selection of NGOs as implementing agencies because handing over of execution to any unscrupulous NGO may lead to creation of substandard work and may also lead to embezzlement of public money. The Committee, therefore, recommend that NGOs considered as implementing agencies should have proven record of expertise in the field i.e. they should have successfully executed minimum of five such works and the composition of the Committee for the selection of NGOs should be clearly expressed in the Scheme guidelines. The composition should include the Head of the Engineering Department of the District in the chosen field.

4.8 The Committee take a serious view that the Ministry did not hold any consultation with the Committee before taking the decision on amendment of Para 2.11 of the guidelines. The Committee note that above guidelines modified in April, 2013 empowers the State Government for selection of the Implementing Agency and frame rules/guidelines applicable for the purpose. The Committee observe that above modification in Para 2.11 of the MPLAD Guidelines issued in April, 2013 is in fact substitution of Para 2.11 of the MPLADS Guidelines issued in August, 2012 by the Ministry of Statistics and Programme Implementation. On implementation of above guidelines, the Committee apprehend that each State will identify/select the implementing agency and frame rules/guidelines for the purpose as per their convenience, which in turn evolve different rules/guidelines and different interpretation in process of implementation of MPLADS in each State. The Committee are of the view that this will create disparities among the States in implementation of the Scheme. The Committee, therefore, strongly recommend that Ministry of Statistics and Programme Implementation should examine the matter and

issue suitable directions to all States to maintain uniformity while framing rules/guidelines for identification of Implementing Agency and implementation of MPLADS guidelines.

4.9 The Committee take a serious view of the provision made by the Ministry in the MPLADS guidelines on outsourcing an ambulance for its operation by a reputed organization on the recommendation of a three member Committee consisting of CMO/Civil Surgeon and two other representatives of the District Magistrate. This provision while giving overriding powers to the said Committee in identification and selection of the organization, does not provide any role to the MP who recommends the ambulance. This is in contrary to the recommendation of the Committee that the ambulance should be placed at the disposal of only such organization for which it is recommended by an MP. Concentrating all powers in the hands of the said Committee will defeat the very purpose of the Scheme to fulfill the locally felt needs of the people. Constituents approach an MP to fulfill their requirements and accordingly the MP makes recommendations. Hence, it is necessary that an MP identify the organization to which the ambulance should be given for its operation. The Committee, therefore, recommend that the Member of Parliament may recommend one or a few organizations to which the ambulance is to be given. The said Committee may scrutinize the recommendation and advise the District Magistrate about the suitability of the organizations recommended by the MP. In case the organizations recommended by the MP were not found fulfilling the criteria fixed for the purpose, the same may be informed to him/her with the request that he/she may recommend some other reputed national/state level organizations for the operation of the ambulance.

4.10 The Committee are concerned to note that the Ministry does not take effective steps to obtain the information desired by the Committee in connection with the subjects under examination. In order to assess the

implementation of the provisions relating to trusts/societies, the Committee sought the details such as the funds recommended, works carried out by the trusts/societies etc. The Committee also sought information on mandatory inspection of all the works of trusts/societies by the District Authorities. Since it is not maintaining any details, as a knee jerk reaction to the question of the Committee seeking above information before the oral evidence on the subject, the Ministry requested all the State/UT Governments to furnish the requisite information. An assurance was given by the Ministry that the information will be furnished to the Committee Secretariat. Lamentably the Ministry not serious in the matter and has not furnished the required information to the Committee. The Committee trust that in view of the improvement of the MPLAD Scheme and to yield desired results, the Ministry will take effective steps to collect and analyze the information for smooth and effective implementation of the scheme and to achieve objectives of the scheme.

New Delhi

6 May, 2013
Vaisakha 16, 1935 (Saka)

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

Commissioners,
Corporation of Kolkatta/Chennai/Delhi,
District Collector/District Magistrate/Dy. Commissioner,
All Districts

Sub: Release of MPLADS Funds

In partial modification of Item No.2, Appendix-2 read with Para 2.7 of the Guidelines on MPLADS, the following amendment will come into force with immediate effect:-

The works belonging to registered societies and trusts may be taken up under MPLADS subject to the following conditions:-

- (i) The beneficiary organisation, engaged in social service/welfare activities shall be in existence at least for three years.
- (ii) The beneficiary organisation shall be well-established and reputed one. Whether such organisation is reputed or not should be decided by the District Head concerned on the basis of relevant factors like performance in the field of social service/welfare activities, overall reputation, non-profit operation, transparency of performance and its sound financial position.
- (iii) The funds from MPLADS will be used for creation of durable assets which would always be available for public use at large.
- (iv) The ownership of such assets would vest in Government. The sale/transfer/disposal of these assets will not be undertaken without the prior approval of the Government.
- (v) The maintenance and upkeep of assets so created will have to be ensured by the beneficiary organisation in advance and the assets so created will be subject to periodical audit/inspection by the Government.
- (vi) The beneficiary organisation will submit to Government annual report and its audited accounts on regular basis.
- (vii) The beneficiary organisation must enter into a formal agreement in advance with the Government to comply with the above conditions before the funds from MPLADS are disbursed to it.

Yours faithfully,

Sd/-

(V.K. ARORA)

Director (MPLADS)

Copy for information to:-

1. Hon'ble Member of Parliament, Rajya Sabha and Lok Sabha.
2. Secretary-Generals, Rajya Sabha/Lok Sabha.
3. Chief Secretary/Administrator, all States/UTs.
4. Secretary dealing with MPLADS, all States/UTs.

Copy for information also to:-

1. PS to MOS (S&PI)
2. Sr. PPS to Secretary (S&PI)

Member of Parliament Local Area Development Scheme



भारत सरकार
सांख्यिकी एवं कार्यक्रम कार्यान्वयन मंत्रालय
सरदार पटेल भवन, नई दिल्ली - 110001

GOVERNMENT OF INDIA
MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION
SARDAR PATEL BHAVAN, NEW DELHI-110001
FAX : 23364197
E-mail : mplads@nic.in

03.01.2012

Dated

C-71/2011-MPLADS

To

The Nodal Secretaries of all States/UTs.

Subject: Compilation of Data on Trusts/Societies taken benefit from MPLADS funds-reg:-

Sir,

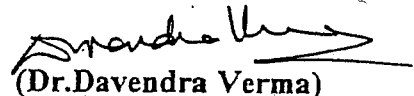
You may aware that the objective of MPLADS guidelines is for creation of durable community assets of developmental nature which caters to the need of the community at large. Accordingly, up to the end of the year 2000, any registered society/Trust were not eligible to receive any fund under MPLADS.

2. However, by considering the remarkable contribution to the community and their humanitarian approach by some registered charitable trust/society, Ministry allowed them vide circular dated 23.01.2001 to avail funds from MPLADS for creation of community assets without any financial limit. Later, vide circular dated 24.02.2002, Ministry restricted the financial limit to Rs. 25 lakh under MPLADS to registered society/trust as a whole, even if a particular Trust/ Society has more than one institution. They are not entitled to receive funds if the recommending MP is himself the President/Chairman or member of the Managing Committee etc. or trustee of the registered society/trust. Ministry has made more stringent measures in these provisions in MPLADS Guidelines 2005, by including family members of the Hon'ble MPs and a financial limit of Rs. 25 lakh in the life time of the registered Society/Trust.
3. In order to meet the developmental needs of the community at large by way of creation of public assets, vide Circular dated 15.06.2011, Ministry made an annual financial restriction to the Hon'ble MPs of a maximum of Rs 50 lakh under MPLADS funds for works to Societies/Trusts.
4. Now, Ministry intends to prepare an All India consolidated data base to assess the contribution of MPLADS funds to the registered societies/trust in creation of durable assets and other activities undertaken in the field of social service and welfare activities for use of public at large.

5. In view of the above, you are requested to collect information from the implementing districts of your State/ UT with regard to the details of MPLADS funds sanctioned to Societies/ Trusts in Annexure I and furnish the State/UT wise consolidated information in Annexure II. Both the Annexures, i.e. the information received from Implementing district as well as the consolidated details compiled by the State/UT Govt. may be forwarded to this Ministry latest by 31st January, 2012.

6. You are also requested to send a soft copy of the Annexures to the E-mail : mplads@nic.in

Yours faithfully,



(Dr. Davendra Verma)
Deputy Director General (PI)
Tel: 23746725

Copy for necessary action to:

Commissioners Corporation of Kolkata, Chennai, Mumbai and Delhi
District Collectors/District Magistrates/Deputy Commissioners

C/C

258/12
01/12

Year of recommendation (1)	Sl No. (2)	Name and address of trust/Society (3)	Sl. No. Works (4)	Name of Works (5)	Name of recommending MP (6)	(L.S./R.S) (7)	Date of sanction (8),	Sanctioned amount (9)
2001-02	1		1					
			2					
		Total Amount sanctioned to the particular Trust/Society						
	2		1					
			2					
		Total Amount sanctioned to the particular Trust/Society						
	1		1					
			2					
		Total Amount sanctioned to the trusts/Societies during the year						
2002-03	2		1					
			2					
		Total Amount sanctioned to the particular Trust/Society						
		Total Amount sanctioned to the particular Trust/Society						
		Total Amount sanctioned to the trusts/Societies during the year						
2003-04								
		Total Amount sanctioned to the trusts/Societies during the year						
2011-12								
		Total amount sanctioned to the trusts/Societies so far in the implementing district (Grand total)						

[illegible]

FINDINGS OF C&AG AND NABCONS
ON USE OF MPLADS FOR THE INTENDED
PURPOSE BY THE TRUSTS / SOCIETIES

ANNEXURE - III

1. C & AG has reported one case from Solapur district of Maharashtra

Issue : A school building costing Rs.0.24 Crore has been sanctioned on..... to Nutan Vidhyalaya run by Shikshan Prasarak Mandal, Mangloor, Solapur district and the same was handed over to the user agency, but was not put to use till September 2009. However, the District Collector, Solapur has replied that the educational Institute started using the classrooms from January, 2011.

2. *Parbhani (Maharashtra) (Report from NABCONS- Phase III)*

Issue : Rs. 13 lakh was sanctioned in the year 2005 for construction of Boy's hostel to Mahatma Phule Educational Society, Jintur Road, Parbhani . It is reported that some of the rooms are being rarely used as class rooms and other rooms are vacant. Toilets were built without septic tanks which render toilets unusable and there was no maintenance at all. It is in bad condition, with all windows broken.

3. *Dhanbad (Jharkhand) (Report from NABCONS- Phase III)*

Issue : The Community Hall Building of Monim Welfare Society, Wasepur, Dhanbad used for marriage and other social functions by the community against the intended purpose of teaching hall for the students .

4. *OSMANABAD (Maharashtra) (Report from NABCONS- Phase III)*

Issue : Sankrit Pathshala was recommended by the Hon'ble MP to Shri Anantdas Maharaj Smarakmadal Deshpande Girni Stand in Usmanabad. However, it has been reported as the same has been used as a prayer hall for religious ceremonies and Navratra celebrations and the Hall is not put to public use.

5. *SAMBALPUR (ODISHA) (Report from NABCONS- Phase IV)*

Issue : A Library building was sanctioned under MPLADS to Bamra Trust Fund College, Bamra However, the asset was used for Indira Gandhi Open University and not used as library.

FINDINGS OF NABCONS ON
IMPLEMENTATION OF PROVISIONS
CONTAINED IN PARA 3.21 OF
THE GUIDELINES.

ANNEXURE-IV

1. RANCHI (JHARKHAND) (NABCONS- Phase I)

The District Authority did not ensure execution of stamped agreement by Trusts/ Societies before release of advance installment. Relevant papers regarding constitution of the Society/ NGO/Trust for which the asset was created to ascertain MPs or his family members not being part of Management of the concerned Trust, was also not obtained. Also it has been reported that these Trusts/ NGOs, they are not aware about submission of utilization certificate or work completion reports.

2. RANCHI (JHARKHAND) (NABCONS- Phase I)

Rs.53.89 lakh worth of four works has been sanctioned to the Purshree Trust.

3. WARDHA (Maharashtra) (NABCONS- Phase I)

Issue:

It was observed that the works more than Rs.25 lakh were recommended to different colleges/ institutes run by the same trust Sawangi Meghe. The agreements for maintenance of assets were made in the names of different institutes/ college run by this trust were mentioned as the Second Party without mentioning the name of Trust. Also found that the agreements signed by District Authority with the trusts/ societies, in all cases, did not contain important 18% interest clause. The information in respect of visits of District Authority to the works of Society/ Trust/ NGO was not available with the DA. The staff of DA was not aware of the exact details of the work sanctioned, as no pre-sanctioned field visits were made.

4. LUDHIANA (Punjab) (NABCONS- Phase I)

Issue:

It has been reported that there is no structured system of inspection by District Authority for the works awarded to societies, trusts, NGO and for other MPLADS projects

5. SHILLONG (Meghalaya) (NABCONS- Phase I)

Issue:

- i. Aurobindo Institute of Indian Culture benefited by obtaining funds under MPLADS for 9 projects involving a financial sanction of Rs.1.29 crore during the period from March 1999 to July 2003 which is against the MPLADS guidelines.
- ii. Also it has been observed that there are no norms for awarding works to Society / Trust / NGO.
- iii. No inspection has been done by the District Authority on the works carried out by NGO/Trust/Society.

6. CHITTOOR (ANDHRA PRADESH) (NABCONS- Phase II)

Issue: It has been reported that works were allotted to Society/ Trust/NGOs without checking the records by District Authority thereby it could not examine that whether there was any MP or family members of MP were included in the society/ trust/NGO.

7. DAKSHINA KANNADA (KARNATAKA) (NABCONS- Phase III)

Issue: Total of 50 lakhs have been released to one NGO ,Keshava Smrithy samvardhana samity. Out of which Rs 15 lakh was sanctioned in 2006.

8. PRAKASHAM (ANDHRA PRADESH) (NABCONS- Phase III)

Issue: IPVVAS, a Trust which operates educational institutes, was given 8 works costing Rs. 68.86 lakh.

9. INDORE (MADHYA PRADESH) (NABCONS- Phase III)

Issues:

- i. The recommendations by MPs are made without taking into account the restricted clause of MPLADS guidelines on Trust/Society/NGO and also the District Authority was not effective in adherence to implementation of such restricted clauses.

10. INDORE (MADHYA PRADESH) (NABCONS- Phase III)

Issue: An amount of Rs. 48.91 lakh for 5 different works were sanctioned to Harijan Sewak Sangh and seven works of Rs. 85 lakh cost were sanctioned to MP Cricket Association.

11. DHANBAD (JHARKHAND) (NABCONS- Phase III)

Issues:

- i. Rs.34 lakhs have been released to one Trust Swami Sahajanand Saraswati Trust. Out of which Rs. 9 lakh was sanctioned in the year 2009.
- ii. District Authority has not inspected all works executed by/for trusts whereas as per MPLADS guidelines full works are to be inspected by the District Authority, which were executed by/for trusts.

12. CHAMRAJNAGAR (KARNATAKA) (NABCONS- Phase III)

Issue: The sample works awarded to NGOs/ Trust were not inspected whereas as per Guidelines inspection has to be done by the District Authority on all the works which were executed by NGO/ Trust. No records were kept on the inspection done by the District Authority.

13. BURDWAN (WEST BENGAL) (NABCONS- Phase III)

Issue: Total of works of cost of Rs. 32 lakhs have been released to one NGO Burdwan Disabled Welfare Society, Burdwan.

14. AIZWAL (MIZZORAM) (NABCONS- Phase III)

Issue: Rs.25 lakh was sanctioned to an NGO, Zokalsiam Association, Aiswal for the Construction of Girls Hostel & Indoor Stadium at Venghlui in the year 2000 and in 2001. It is reported that no girls are staying in the hostel and maintenance is found to be poor.

15. ROHTAS (BIHAR) (NABCONS- Phase III)

Issue: The system of visiting by District Authority to inspect works under MALADS, whether executed by Society/Trust/NGO or by Government Department was not prevalent.

16. OSMANABAD (MAHARASHTRA) (NABCONS- Phase III)

Issues:

- i. There has been an instance of work awarded to an NGO, viz., Ganesh Vikas Pratishthan, Barshi, totally disregarding the guidelines for awarding such works to NGO. The NGO was run by close relatives of the MP, who had recommended the work, as chief functionaries.
- ii. The information in respect of visits of District Authority to the work of Societies/Trusts/NGOs was not available with the District Authority.

17. BANASKANTHA (GUJARAT) (NABCONS- Phase III)

Issue: A total of Rs.30.95 lakh was sanctioned for four works to a trust Palanpur Vadil Vishranti Gruh for the construction of Old Age Home.

18. SAMBALPUR (ODHISA) (NABCONS-PhaseIV)

Issues:

- i. Two works of cost of Rs. 45 lakh has been sanctioned for Construction of Pataneswari Kalyan Mandap and Construction of Library at Pataneswari Club at Kamli Bazar, Sambalpur for the trust Pataneswari Club.
- ii. Three works of cost of Rs. 68.96 lakh was sanctioned to VSS Medical College, Burla run by Rotary Club for Constriction of Patient attendance Shed in VSS Medical, Completion of 1st floor patient attendants rest shed at VSS Medical College and Construction of 10 no's of Cabins.

19. DEHULE (RAJASTHAN) (NABCONS-PhaseIV)

Issue: 25 works belong to two registered Societies and Trusts for various purposes promoted by Shri Mukesh Bhai Patel, MP and his two brothers Shri Ambreesh Bhai Patel and Shri Bhupesh Bhai Patel. In all 25 works which were not permissible under the Guidelines an amount of Rs. 424.58 lakh were approximately disbursed from MPLADS funds to Shripur Education Society and R. C. Patel Education Trust. Three works not permissible under the Guidelines were recommended by Shri Darasingh, MP (RS) to these Societies amounting Rs. 20 lakh from MPLADS funds.

20. BANSWARA (RAJASTHAN) (NABCONS-PhaseIV)

Issue: An amount of 39.61 lakh was sanctioned to the society Vidya Niketan Madhyamic Vidyalaya, Banswada for Community Hall cum Indoor Stadium.

21. CUTTAK (ODHISA) (NABCONS-PhaseIV)

Issue: The works pertaining to education sector have been sanctioned for the single society at different point of time i.e. U.N. College, Adashpur amounting to Rs.187.5 lakh for different purposes i.e. construction of additional class rooms, Library Building, Modern library building, Modern library building phase-I, Modern library building phase-II, Computer center phase-I, Computer center phase-II,

Science block phase-, Science block phase-II, Science block phase-III, Chemistry and botany lab room, Girls Hostel Phase-I, Girls Hostel Phase-II, Construction of Building second stage, Construction of Gymnasium and stadium.

22. MATHURA (Uttar Pradesh) (NABCONS-PhaseIV)

Issue: Sixteen works of costing of Rs. 380.86 lakh were awarded to a user agency which is reported as Covered Society, before November, 2005. After the implementation of new Guidelines viz. November, 2005 two more works costing of Rs. 35 lakh were executed for the Covered Society in the year of 2006 and 2007 respectively.

सांसद स्थानीय क्षेत्र विकास योजना
Member of Parliament Local Area Development Scheme



मन्त्रालय भवन

अनिल कुमार चौधरी
निदेशक

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GOVERNMENT OF INDIA
MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION
211, SARDAR PATEL BHAVAN, NEW DELHI-110001
E-mail : akchoudhary@nic.in

C-33/2012-MPLADS

28.03.2012

To

The Finance Secretary-cum-Secretary(Planning)
Chandigarh Administration,
Chandigarh.

Sub: MPLADS- Information regarding provision of MPLADS funds for Registered Societies/trusts reg:-

Sir,

Please refer to the Ministry's earlier letters of even number dated 03.01.2012, 24.01.2012 and 27.03.2012 on the subject cited above. In addition to the information sought vide earlier letters, Lok Sabha Committee on MPLADS is directed the Ministry to furnish the following information.

1. As per para 6.4 (v) of the guidelines, the District Authority will inspect all works executed by/for societies and trusts under MPLADS and ensure that the agreement conditions are being complied with. In case of violation of any of the provisions of the agreement, action as per the agreement shall be taken by the District Authority.
 - i. Please state whether the District Authorities inspect all the works executed by/for societies/trusts; if so, the State-wise details thereof for the past two years;
 - ii. Whether the District Authorities ensure that the agreement conditions are being complied with; if so, please furnish details thereof and if not, what are the reasons therefor.
2. As per para 2.11 of the guidelines, the district authority may choose reputed NGOs as implementing agencies. In this regard please furnish the following details:-
 - i. The number of NGOs engaged as Implementing Agencies by District Authorities during the last three years, State-wise;
 - ii. Whether the works done by them were satisfactory; if so, please furnish details and if not, the action taken in such cases by the District Authorities?

Contd...2/-

-: 2-

2. Since the implementation of MPLAD Scheme is carried out by the concerned district authority, you are requested to furnish the State wise information on the above points immediately to this Ministry so as to enable us to apprise the Lok Sabha committee.

Yours faithfully,


(A.K. Choudhary)

R/24/33/98-MPLADS

Dated: 24/04/2002

To

The Commissioner,
Corporation of Calcutta/Chennai/Delhi.
District Collector/District Magistrate/Deputy Commissioner,
All Districts.

Subject: Limit of Rs. 25 lakhs per work outlined in para 4.1 of the guidelines on MPLADS.

Sir/Madam,

Para 4.1 of the guidelines 011 MPLADS stipulate that "ideally it would be desirable that the MPs. suggest individual works costing not ore than Rs.25 lakhs per work.

2. Clarifications have been sought from this Ministry as to whether the cost limit of Rs.25 lakhs stipulated in para 4.1 of the guidelines is to be made applicable to each work of an institution or total cost of all the works for a particular institution. Clarifications have also been sought that if a registered society/trust runs more than one institution whether the limit of Rs.25 lakhs is to be made applicable to the trusts/societies as a whole or each institution of the trust/society. Hon'ble MPs also allocate funds to a registered society/trust where they themselves are the President/Chairman or Member of the Managing committee etc. or trustee of the registered society/ trust in question.

3. The matter has been considered in consultation with Lok Sabha/Rajya Sabha Committee on MPLADS. It is clarified that (a) the limit of Rs.25 lakhs stipulated in para 4.1 is to be made applicable to a trust society as a whole if a particular society/trust has more than one institution or more than one work for that institution i.e, from MPLADS not more than Rs.25 lakhs for a particular society trust: can be spent and (b) the benefits of MPLAD Scheme would not be given to a registered society/trust if the MP giving the proposal is himself the President/Chairman or member of the Managing Committee etc. or trustee of the registered society/trust in question.

Yours faithfully,

(V.K. Arora)
Director

Copy to:-

- (i) Hon'ble MPs of Rajya Sabha/Lok Sabha
- (ii) Shri Tapas Das Gupta, Director, Rajya Sabha Secretariat, Parliament House Annexe, New Delhi - 110 001
- (iii) Shri R.N. Kalra, Director (CPPS), Lok Sabha Secretariat, Parliament House Annexe, New Delhi.

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Member of Parliament Local Area Development Scheme

Reform Circular No.3



सांख्यिकी एवं कार्यक्रम कार्यान्वयन नंत्रालय
सरदार पटेल भवन, नई दिल्ली - 110001
GOVERNMENT OF INDIA
MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION
SARDAR PATEL BHAVAN, NEW DELHI-110001
FAX : 23364197
E-mail : mplads@nic.in

File No. C/23/2011-MPLADS

Dated 15.06.2011

To

The Commissioners,
Corporation of Kolkata/Chennai/Delhi
Districts Collectors/District Magistrates/Deputy Commissioners.

Sub: Modifications in the existing MPLADS Guidelines – regarding.

The Ministry has been receiving various suggestions from the stakeholders for the last few years. Apart from suggestions, the Ministry, based on the operational experience, of implementation of the MPLAD Scheme, believes that the benefit of the scheme should reach to the people at the grass-root level. In order to ensure that the MPLADS funds can be spent timely, speedily, effectively and fruitfully throughout the country, the guidelines are proposed to be made broad based, simplified and made easily implementable. To give MPs a larger choice of projects under the MPLAD funds, the basket of eligible items is also proposed to be enlarged. Consequently, the Government of India has decided to modify the following provisions, of the existing Guidelines as under:-

(iv) *Part of existing provisions in para 3.21 will be modified as:*

"Not more than Rs.25 lakh. can be spent from MPLADS fund, for one or more works of a particular Society/Trust in the lifetime of that society/trust. If a Society has already availed of MPLADS funds up to Rs. 25 lakh. no more funds can be recommended for that Society/Trust under the Scheme. An MP can recommend funds, only upto Rs.50 lakh in all, in a financial year from MPLADS funds for works to Societies/Trusts"

2. These instructions should strictly be adhered to in implementation of MPLAD Scheme.

3. This issues with the approval of Hon'ble Minister.

Yours faithfully,

(PANKAJ JAIN)

Additional Secretary

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.

सांसद स्थानीय क्षेत्र विकास योजना
Member of Parliament Local Area Development Scheme

आर. राजेश

निदेशक

R. Rajesh

Director

TEL : 011-23344938

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न्यायमेव जयते

भारत सरकार

सांख्यिकी और कार्यक्रम कार्यान्वयन विभाग

311, सरदार पटेल भवन, नई दिल्ली-110001

GOVERNMENT OF INDIA

MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION

311, SARDAR PATEL BHAVAN, NEW DELHI-110001

E-mail : rrajesh@nic.in, mplads@nic.in

File No. C/23/2011-MPLADS (Vol II)

30.11.2012

To

The Commissioners,

Corporation of Kolkata/Chennai/Delhi

Districts Collectors/District Magistrates /Deputy Commissioners.

Sub: - Modification in MPLADS Guidelines- MPLADS Funds to Trusts/Societies

Sir/Madam,

This Ministry has been receiving references from various Members of Parliament for enhancing the present ceiling of Rs 25 lakh for works to registered Trusts/Societies in their lifetime and of Rs. 50 lakh that an MP can recommend in a financial year under the MPLAD Scheme on the ground that the annual allocation of MPs have been increased from Rs. 2 crore to Rs. 5 crore and the cost of works/projects being recommended by MPs has increased manifold. The matter has been examined and it has been decided to modify the relevant portion of Para 3.21.2 of the MPLADS Guidelines as follows :-

3.21.2 Not more than Rs.50 lakh, can be spent from MPLADS fund, for one or more works of a particular Society/Trust in the lifetime of that Society/Trust. If a Society has already availed of MPLADS funds upto Rs. 50 lakh, no more funds can be recommended for that Society/Trust under the Scheme. From the financial year 2012-13, an MP can recommend funds, only upto Rs. one crore in all, in a financial year from MPLADS funds for works to Societies/Trusts. The recommendation made by Hon'ble MPs for the period prior to the financial year 2012-13 is to be regulated as per the guidelines existing during that period.

2. These instructions should be strictly adhered to in implementation of MPLAD Scheme.
3. This issues with the approval of Hon'ble Minister, Ministry of Statistics & Programme Implementation

Yours faithfully,

R. Rajesh
(R. Rajesh)

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.

COMMITTEE ON MPLAD SCHEME, LOK SABHA (2011-12)

**MINUTES OF THE SECOND SITTING OF THE COMMITTEE ON
MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME,
LOK SABHA (2011-12)**

The Committee sat on Wednesday, 29 February 2012 from 1430 hours to 1540 hours in Room No. 62, Parliament House, New Delhi.

PRESENT

Shri A.K.S. Vijayan - In the Chair

MEMBERS

2. Shri Ghanshyam Anuragi
3. Dr. Pulin Bihari Baske
4. Smt. Bijoya Chakravarty
5. Dr. Ratna De (Nag)
- 6 Shri Syed Shahnawaz Hussain
7. Shri Kaushalendra Kumar
8. Shri Babu Lal Marandi
9. Shri Amarnath Pradhan
10. Shri Balkrishna Khanderao Shukla
11. Shri Om Prakash Yadav

SECRETARIAT

1. Shri V.R. Ramesh - Joint Secretary
2. Shri Hardev Singh - Director
3. Shri C. Kalayanasundaram - Under Secretary

WITNESSES

REPRESENTATIVES OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION

- | | | | |
|----|--------------------------|---|-----------------------------|
| 1. | Shri Pankaj Jain | - | Additional Secretary (S&PI) |
| 2. | Dr. Davendra Verma | - | Dy. Director General (PI) |
| 3. | Shri A.K. Choudhary | - | Director |
| 1. | Shri Tapan Mitra | - | Deputy Secretary |
| 2. | Smt. Mini Prasanna Kumar | - | Deputy Director |

2. At the outset, the Chairman welcomed the members of the Committee and the representatives of the Ministry of Statistics & Programme Implementation to the sitting of the Committee. The Committee were then briefed by the representatives of the Ministry on the subject, "Execution of MPLADs works through Societies/ Trusts/ NGOs".

3. Shri Pankaj Jain, Additional Secretary, Ministry of Statistics and Programme Implementation, gave an overview of performance of the Scheme. He then briefed the Committee about the provisions in the MPLAD Scheme guidelines regarding implementation of MPLADS works by reputed NGOs, operation of ambulances, hearse and health services through NGOs, permission to Trusts and Societies to implement MPLADS works, etc.

4. Thereafter, the Members of the Committee raised questions on various issues relating to the implementation of the scheme and the representatives of the Ministry replied to them. The discussion centred around issues such as ceiling of Rs.50 lakh in a financial year for

recommending works for Trust and Societies, representation of MPs in the Committee for selection of NGOs for implementing MPLADS works, referring to the Parliamentary Committee on MPLADS any provisions in the MPLADS guidelines which are proposed to be added/modified by the Ministry, release of annual allocation of Rs.5 crore in a single installment, holding annual exhibition to display the durable assets created through the Scheme, utilization of MPLADS funds for completion of incomplete works funded through other schemes, timely issue of utilization certificates, etc.

5. The Chairman thereafter thanked the representatives of the Ministry for briefing the Committee on the subject and replying to the queries of the Members.

6. A copy of the verbatim proceedings of the sitting has been kept.

The Committee then adjourned.

COMMITTEE ON MPLAD SCHEME, LOK SABHA (2011-12)

**MINUTES OF THE FIFTH SITTING OF THE COMMITTEE ON MEMBER OF
PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME,
LOK SABHA (2011-12)**

The Committee sat on Friday, 22 June, 2012 from 1500 hours to 1700 hours in Committee Room C, Parliament House Annexe, New Delhi.

PRESENT

Shri Babu Lal Marandi - In the Chair

MEMBERS

2. Shri Ghanshyam Anuragi
3. Dr. Baliram
4. Dr. Ratna De (Nag)
5. Shri Kaushalendra Kumar
6. Shri Amarnath Pradhan
7. Shri Rudramadhab Ray
8. Shri Udai Pratap Singh
9. Shri Vijay Inder Singla
10. Shri Om Prakash Yadav

SECRETARIAT

- | | | | |
|----|--------------------------|---|------------------|
| 1. | Shri V. R. Ramesh | - | Joint Secretary |
| 2. | Shri Hardev Singh | - | Director |
| 3. | Shri C. Kalayanasundaram | - | Deputy Secretary |

SPECIAL INVITEE

Prof. S. V. Raghavan	-	Scientific Secretary, Government of India and Chief Architect & Chairman, Technical Advisory Committee of National Knowledge Network.
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WITNESSES

MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION

1.	Dr. T. C. A Anant	-	Secretary
2.	Shri Pankaj Jain	-	Special Secretary
3.	Shri P. K. Pujari	-	AS & FA
4.	Dr. Davendra Verma	-	DDG(PI)
5.	Shri Anil Kumar Choudhary	-	Director

2. In the absence of the Chairman (Sh. A. K. S. Vijayan), the Committee chose Shri Babu Lal Marandi, 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. XXX XXX XXX XXX XXX

4. Thereafter, the Secretary, Ministry of Statistics and Programme Implementation briefed the Committee about the recent initiatives made by the Ministry, e.g. amendment to eligibility conditions for release of MPLADS funds, recommend funds under MPLAD Scheme for construction of Railway Halt Stations, creation of facilitation centres at districts, etc. The Members raised various issues involved in the implementation of the MPLAD Scheme. The major issues discussed were non-release of MPLADS funds particularly due to the stipulation that the second instalment would be released subject to the furnishing of provisional utilization certificate of the previous year covering at least 80% of the expenditure of the first installment of the previous year, exemption from requirement of the mandatory Utilization Certificate for release of fund under MPLAD Scheme, waiving of present ceiling of Rs.50 lakh to trusts/ societies in a

year, release of annual installment Rs.5 crore in a single installment, calling a few District Magistrates before the Committee to discuss the problems faced by them, etc. The Chairman thanked the representatives of the Ministry for appearing before the Committee and for furnishing information in connection with the implementation of MPLAD Scheme.

5. XXX XXX XXX XXX XXX

6. XXX XXX XXX XXX XXX

7. XXX XXX XXX XXX XXX

8. A copy of the verbatim proceedings of the sitting has been kept.

The Committee then adjourned.

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

MINUTES OF THE FIFTH SITTING OF THE COMMITTEE ON MEMBERS OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME, LOK SABHA (2012-13) HELD ON THURSDAY, 02 MAY, 2013.

The Committee sat on Thursday, 02 May, 2013 from 1600 hours to 1640 hours in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri A. K. S. Vijayan - Chairman

MEMBERS

2. Shri Pulin Bihari Baske
3. Smt. Bijoya Chakravarty
4. Shri Dara Singh Chauhan
5. Shri Basori Singh Masram
6. Shri Gopinath Munde
7. Shri Modugula Venugopala Reddy
8. Prof. Saugata Roy
9. Shri S. D. Shariq

SECRETARIAT

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

2. At the outset, Hon'ble Chairman welcomed the Members of the Committee to the sitting of the Committee. The Committee then took up for consideration the draft Report on the subject 'Execution of MPLADS works through Societies/ Trusts/ NGOs '. The Chairman then brought to the notice of the Committee to the Para 2.11 of the MPLADS guidelines recently modified by the Ministry. The Committee considered the

recommendation on above guidelines and approved it to incorporate suitably in the draft Report. The Committee then adopted the whole Report unanimously without any amendments.

3. XXX XXX XXX

The Committee then adjourned.
