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**GUIDELINES
ON
MEMBER OF PARLIAMENT
LOCAL AREA DEVELOPMENT
SCHEME**

(MPLADS)

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1. BACKGROUND

- 1.1 The general public approach Members of Parliament (MPs) for provision of certain basic facilities including community infrastructure in their areas. Government of India considered the need for a mechanism to respond to such requests and decided to have a scheme to meet the felt needs of the people.
- 1.2 On 23rd December 1993 Prime Minister announced in the Parliament the Members of Parliament Local Area Development Scheme (MPLADS). Initially the MPLADS was under the control of the Ministry of Rural Development. The Guidelines were issued in February 1994, covering the concept, implementation and monitoring of the Scheme. The subject relating to the MPLADS was transferred to the Ministry of Statistics and Programme Implementation in October 1994. The Guidelines were periodically updated in December 1994, February 1997, September 1999 and lastly in April 2002. With the experience gained over a decade, and having considered the suggestions made by the Members of Parliament in the interactive discussions taken by the Minister of State (Independent Charge) of the Ministry of Statistics and Programme Implementation; MPLADS Committees of the Parliament; Planning Commission and Controller and Auditor General of India in its two Reports; it was felt necessary to carry out a comprehensive revision of the Guidelines.
- 1.3 The objective of the scheme is to enable MPs to recommend 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. 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.
- 1.4 In 1993-94, when the Scheme was launched, an amount of Rs. 5 lakh per Member of Parliament was allotted which became Rupees one crore per annum in 1994-95 per MP constituency. This was stepped up to Rs. 2 crore from 1998-99.
- 1.5 The Ministry of Statistics and Programme Implementation has been responsible for the policy formulation, release of funds and prescribing monitoring mechanism for implementation of the Scheme. A Department in the State or the Union Territory (UT) is designated as the Nodal Department with the overall responsibility of supervision, monitoring and coordination of the MPLADS implementation with the districts and other Line Departments. The Government of India informs the State Nodal Department about the MPLADS funds released to the District Authorities. The District Authorities report the status of MPLADS implementation to the Government of India and State Nodal Department. The District Authority gets the MPLADS implemented

through Local Self Governments or through Government agencies. In some cases, the District Authority engages reputed Non Government Organizations (NGOs) for execution of MPLADS works.

2. FEATURES

- 2.1 The MPLADS is a Plan Scheme fully funded by the Government of India. The annual MPLADS fund entitlement per MP constituency, is Rs. 2 crore.
- 2.2 Lok Sabha Members can recommend works for their respective constituencies. Elected Members of Rajya Sabha can recommend works for implementation in one or more districts as they may choose in the State of their election. Nominated Members of Lok Sabha and Rajya Sabha can recommend works for implementation in one or more districts anywhere in the country.
- 2.3 The choice of the Nodal District shall be furnished by Lok Sabha and Rajya Sabha members to the Director (MPLADS) of the Ministry of Statistics and Programme Implementation with a copy of the State Nodal Department and the District Authority in the format at **Annex – I**. In case a Lok Sabha constituency covers more than one district, the Member of Lok Sabha may choose one of the districts as the Nodal District.
- 2.4 All works to meet the locally felt community infrastructure and development needs with emphasis on the creation of durable assets in the respective constituency are permissible under MPLADS except those prohibited in **Annex – II**. MPs may choose some works for creation of durable assets of national priorities namely Drinking Water, Education, Pubic Health, Sanitation, and Roads under the Scheme.
- 2.5 **Development of Areas inhabited by Scheduled Tribe and Scheduled Tribe:** There is greater need to develop areas inhabited by ST and ST. It is necessary that special attention is given for infrastructural development of such areas. The MPs are to recommend every year such works costing at least 15% of MPLADS fund for areas inhabited by ST population and 7.5% for areas inhabited by ST population. In other words, permissible works costing not less than Rs. 30 lakh out of the annual allocation of Rs. 2 core per MP shall be recommended for areas inhabited by SC population and Rs. 15 lakh for areas inhabited by ST population. In case, a constituency does not have ST inhabited area, such fund may be utilized in SC in habited areas and vice-versa. It shall be responsibility of the District Authorities to enforce this provision of the Guidelines.
- 2.6 Each MP will recommend works upto the annual entitlement during the financial year preferably within 90 days of the commencement of the financial year in the format at **Annex – III** to the concerned District Authority. The District Authority will get the eligible sanctioned works executed as per the established procedure laid down by the State Government for implementation of such works subject to the provision in these Guidelines.

- 2.7 **Natural Calamities:** MPLADS works can also be implemented in the areas affected by the calamities like floods, cyclone, Tsunami, earthquake, tornado and drought. Lok Sabha MPs from the non-affected areas of the State can also recommend permissible works upto a maximum of Rs. 10 lakh per annum in the affected area(s) in that State. The funds would be released by the Nodal District of the MP concerned to the District Authority of the affected district for works permissible in the Guidelines. The Works Completion Report, Utilization Certificate and Audit Certificate for such works and funds will be provided by the District Authority of the affected districts to the respective District Authority from whom the funds were received.
- 2.8 In the event of “**Calamity of severe nature**” in any part of the country, an MP can recommend works upto a maximum of Rs. 50 lakh for the affected district. Whether a calamity is of severe nature or not, will be decided by the Government of India. The funds in this regard will be released by the District Authority of Nodal district of the MP concerned to the District Authority of the affected district get permissible works done. The Works Completion Report, Utilization Certificate and Audit Certificate for such works and funds will be provided by the District Authority of the affected districts to the respective District Authority from whom the funds were received.
- 2.9 If an elected Member of Parliament finds the need to promote education and culture of a State/UT wherefrom the MP is elected at a place outside that State/UT, the MP can select works relating to education and cultural development not prohibited under these Guidelines upto maximum of Rs. 10 lakh in a financial year. In such cases, the Nodal District Authority will be fully responsible for coordination and other functions bestowed on him in the Guidelines. The works Completion Report, Utilization Certificate and Audit Certificate for such works and funds will be provided by the District Authority of the districts concerned to the respective District Authority from whom the funds were received.
- 2.10 **District Authority:** District Collector/ District Magistrate/ Deputy Commissioner will generally be the District Authority to implement MPLADS in the district. If the District Planning Committee is empowered by the State Government, the Chief Executive Officer of the District Planning Committee can function as the District Authority. In case of Municipal Corporations, the Commissioner Chief Executive Officer may function as the District Authority. In this regard if there is any doubt, Government of India in consultation with the State/UT Government, will decide the District Authority for the purpose of MPLADS implementation.
- 2.11 **Implementing Agency:** The District Authority shall identify the agency through which a particular work recommended by the MP should be executed. The Executing Agency so identified by the District Authority is the Implementing Agency. The Panchayati Raj Institutions (PRIs) will preferably be the Implementing Agency in the rural areas and works implementation should be done through Chief Executive of the respective PRI. The Implementing Agencies in the urban areas should

preferably be urban local bodies and works implementation should be done through Commissioners/Chief Executive Officers of Municipal Corporations, Municipalities. Further, the District Authority may choose either Government Department unit or Government agency or reputed Non-Governmental Organization (NGO) as capable of implementing the works satisfactorily as Implementing Agencies. For purposes of execution of works through Government Departments, District Authority can engage units for example, Public Health Engineering, Rural Housing, Housing Boards, Electricity Boards and Urban Development etc. as Implementing Agencies.

3. IMPLEMENTATION

- 3.1 Each MP shall recommend eligible works on MP's letter head duly signed. A letter format from the MP to the District Authority is at **Annex - III**. Recommendations by representative(s) of MPs are not admissible.
- 3.2 In case of constituency comprises more than one district, and the MP wishes to commend works in the district other than the Nodal District, the works list in the prescribe format shall be given to the District Authority of the Nodal District with copy to the District Authority in whose jurisdiction the proposed works are to be executed. The District Authority in whose jurisdiction, the proposed works are to be executed, will maintain proper accounts, follow proper procedure for sanction and implementation for timely completion of works. The District Authority will furnish monthly progress reports, work completion reports, and audit certificate for such works to the Nodal District Authority.
- 3.3 The District Authority shall identify the Implementing Agency capable of executing the eligible work qualitatively, timely and satisfactorily, The District Authority shall follow the established work scrutiny; technical, work estimation, tendering and administrative procedure of the State/UT Government concerned in the matter of work execution, and shall be responsible for timely and effective implementation of such works.
- 3.4 The work and the site selected for the work execution by the MP shall not be changed, except with the concurrence of the MP concerned.
- 3.5 Where the District Authority considers that a recommended work cannot be executed due to some reason, the District Authority shall inform the reasons to the MP concerned, under intimation to the Government of India and the State/UT Government within 45 days from the date of receipt of the proposal.
- 3.6 The District Authority should get in advance a firm commitment about the operation, upkeep and maintenance of the proposed asset from the User Agency concerned before the execution of the work is sanctioned.
- 3.7 The District Authority may sanction works as per the recommendation of the MP upto the full entitlement. However, the release of funds will be regulated as specified in these Guidelines.

- 3.8 If the estimated amount of the work is more than the amount indicated by the MP for the same, MP's further consent is necessary before the sanction is accorded.
- 3.9 The work should be sanctioned and executed only if the MP concerned has allocated the full estimated cost of the work in the year. If the commitment for the full estimated amount is not forthcoming and the amount recommended by the MP is less than the estimates for the work and there are no other sources from which the deficit can be made good, then the work should not be sanctioned, as in such an eventuality, the project will remain incomplete for want of sufficient funds. The shortfall in the estimated cost vis-à-vis the one recommended by the MP should be intimated to the MP within 45 days of the receipt of the proposal.
- 3.10 In case, more than one list of recommendations is received by the District Authority, the priority will be as per the principle of first received to be first considered.
- 3.11 All works for which recommendations are received in the office of the District Authority till the last date of the term of the MP are to be executed, provided these are as per norms and within the entitlement of MPLADS funds of the MP. Such works cannot be changed by MP even if the MP is re-elected. It shall be the responsibility of the Nodal District Authority to scrutinize all such recommended within 45 days of the last date of the term of office of the MP either to accord necessary sanction as per Guidelines, or to intimate the outgoing/former MP about the rejection with reasons.
- 3.12 On receipt of the recommendation from the MP, the District Authority should verify the eligibility and technical feasibility of each recommended work. All such eligible works should be sanctioned within 45 days from the date of receipt of recommendation. In case of delay due to genuine reasons, a clarification for delay should be incorporated in the sanction order. The same may be intimated to the MP and State/UT Government. If a recommended work is not eligible or not feasible, the District Authority shall intimate the same with reasons to the MP concerned, the Government of India and State/UT Government.
- 3.13 The sanction letter/order shall stipulate a time limit for completion of the work to the Implementation Agency. The time limit for completion of the works should generally not exceed one year. In exceptional cases, where the implementation time exceeds one year, specific reasons for the same shall be incorporated in the sanction letter/order. The sanction letter /order may also include a clause for suitable action against the Implementation Agency in the event of their failure to complete the work within the stipulated time as per the State Government Procedure. A copy of the sanction letter/order shall be sent to the MP concerned.

- 3.14 Decision making powers in regard to technical, financial and administrative sanctions to be accorded under the Scheme, vest in the district level functionaries. To facilitate quick implementation of projects under this scheme, full powers should be delegated by the State/UT Governments to the district functionaries. The District Authorities will have full powers to get the works technically approved and financial estimates prepared by the competent district functionaries before according the final administrative sanction and approval. The District Authority should, before sanctioning the work, ensure that all clearances for such works have been taken from the competent authorities and work conforms to the Guidelines.
- 3.15 The work, once recommended by the MP and sanctioned by the District Authority may be cancelled if so desired by the MP only, if the execution of the work has not commenced and the cancellation does not lead to any contractual financial liability/cost on the Government and also subject to Paragraph 3.11. If for some compelling reasons, stoppage/abandonment of a work in progress becomes inevitable; the matter should be referred to the State Nodal Department with full justification for a decision under intimation to the Government of India and to the MP concerned.
- 3.16 On receipt of the recommendation of the works from the MP, and issue of the work sanction order by the District Authority, the District Authority should ensure that details of the work sanctioned are entered in the Input Format (**Annex - IV A, B, C, D and E**) and uploaded in the MPLADS website (www.mplads.nic.in) or transmitted to the Ministry of Statistics and Programme Implementation for hoisting in it website. District Authorities will take steps to ensure that all works so sanctioned with effect from 1st April 2005 are entered and transmitted to the Ministry for website hoisting. For the previous years works already executed or under execution need the similar process and all entries are made in a time bound manner. In all cases of doubts, the Software Manual for Monitoring of Works under MPLADS already released and available in the website may be referred to.
- 3.17 MPLAD Scheme can be converged with the Central and State Government schemes provided such works are eligible under MPLADS. Funds from local bodies can also be pooled for MPLADS works. Wherever such pooling is done, funds from other scheme sources should be used first and the MPLADS funds should be released later, so that MPLADS fund results in completion of the work.
- 3.18 The MPs concerned can recommend the use of MPLADS fund towards the State Government share in a Centrally Sponsored Scheme being implemented in their constituencies, provided that works under Centrally Sponsored Schemes are permissible under MPLADS.
- 3.19 Public and community contribution to the works recommended by MPs is permissible. In such cases, MPLADS funds will be limited to the estimated amount minus the public and community contribution.

- 3.20 There are Central and State Government Schemes which provide for the public and community contribution. MPLADS funds shall not be used to substitute the public and community contribution in any Central/State Government Programme/Scheme, which includes a component of such contribution.
- 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, non profit 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. The ownership of the land may remain with the Society/Trust, but the structure constructed with MPLADS fund shall be the property of the State/UT Government. The Society/Trust shall undertake to operate, maintain and upkeep at its cost the asset created under MPLADS funds is not being used for the purpose for which the asset was funded, the Sate/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. Not more than Rs. 25 lakh can be spent from MPLADS fund for one or more works of a particular Society/ Trust. 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. 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 compromise of their parents, brothers and sisters, children, grandchildren and their spouses and their in-laws.
- 3.22 As soon as work under the Scheme is completed, it should be put to public use. For greater public awareness, for all works executed under MPLADS, a plaque (stone/metal) carrying the inscription 'Member of Parliament Local Area Development Work' indicating the cost involved, the commencement, completion and inauguration date and the name of the MP sponsoring the project should be permanently erected.

- 3.23 List of all completed and ongoing works with MPLADS funds should also be displayed at the District Authority Office and posted in the website for information of the general public.
- 3.24 As per the provisions of the Right to Information Act, 2005 and Rules framed there under, all citizens have the right to information on any aspect of the MPLADS Scheme and the works recommended/ sanctioned/ executed under it. This may include any information on works recommended by the MPs, works sanctioned/ not sanctioned, cost of works sanctioned, Implementing Agencies, quality of work completed, User's Agency etc. The District Authorities are responsible to provide such information to the public in the manner as required under the Right to Information Act 2005.

4. FUND RELEASE AND MANAGEMENT

- 4.1 The annual entitlement of Rs. 2 crore will be released in two equal instalments of Rs. 1 crore each by Government of India directly to the District Authority (District Collector/ District Magistrate/ Deputy Commissioner or the Chief Executive of the Municipal Corporation, or the Chief Executive of the District Planning Committee as the case may be), under intimation to the State/UT Nodal Department and to the Member of Parliament concerned.
- 4.2 At the time of the constitution of Lok Sabha, and election of a Rajya Sabha Member, the first instalment will be released to the District Authority and the report/ certificate required under Para 4.3 will not be necessary. The subsequent instalments of the continuing Members of Rajya Sabha and Lok Sabha will be released as per the eligibility criteria indicated in Paragraph 4.3. There will be no clubbing of the MPLADS accounts of the previous MP for the purpose of MPLADS fund release. Physical and Financial Progress for each MP (sitting and former) will be sent by the District Authorities separately. The first instalment will be released in the beginning of the financial year. This is subject to the condition that second instalment of the previous year was released for the MP concerned. However, if any specific condition was imposed at the time of release of the second instalment of the previous year, its compliance will be ensured before the release of the first instalment. The second instalment of the MPLADS funds will be released subject to the fulfilment of the following eligibility criteria:-
- i). the unsanctioned balance amount available with the accounts of the District Authority after taking into account the cost of all the works sanctioned is less than Rs. 50 lakh.
 - ii). the unspent balance of funds of the MP concerned is less than Rs. 1 crore; and
 - iii). Utilization Certificate for the previous financial year and the Audit Certificate for the funds released for MP concerned in the year prior to the previous year have been furnished by District Authority. The Utilization Certificate and Audit Certificate formats are at **Annex – VIII** and **IX** respectively.

The stipulations at i) and ii) above will be calculated from the Monthly Progress Report to be sent by the District Authorities for each sitting and former MP term-wise separately. **Annex – VI** is the format in which the Monthly Progress Report is to be sent by the District Authorities.

However, for release of 2nd instalment of 2005-06 of new MPs of 14th Lok Sabha and MPs of Rajya Sabha who have been elected in the year 2004-05, only Utilization Certificate for the funds released during 2004-05 would be required. However, in case of MPs of 14th Lok Sabha who have been re-elected and also MPs (RS) will be released subject to the fulfilment of conditions as laid down in the clause iii) above.

- 4.4 **Funds Non-Lapsable:** Funds released to the District Authority by the Government of India are non-lapsable. Funds left in the district can be carried forward for utilization in the subsequent years. Further, the funds not released by the Government of India in a year will be carried forward for making releases in the subsequent years subject to the fulfilment of criteria stipulated in Paragraphs 4.3.
- 4.5 The entitlement of funds of a Rajya Sabha MP for a particular year is determined as under :

Period in the financial year as MP	Entitlement
Less than 3 months	Nil
Upto 9 months	50% of the annual allocation
More than 9 months	100% of the annual allocation

- 4.6 If a Lok Sabha constituency is spread over more than one district, funds for the constituency shall be released to Nodal District Authority, who will be responsible for transfer of funds to the other districts within the constituency as per the requirement of funds in those districts.
- 4.7 The balances of MPLADS funds (funds not committed for the recommended works) left by the predecessor MP in a Lok Sabha constituency would be passed on to the successor MP from that constituency.
- 4.8 In respect of elected Members of Rajya Sabha, the balance of funds (funds not committed for the recommended and sanctioned works) left in the Nodal District by the predecessor Members in a particular State will be equally distributed by the State Government among the successor elected Rajya Sabha Members in that State.

However, the unspent balance of former Rajya Sabha MPs from 1993-94 to 2004-05, if not already distributed, will be equally distributed among the sitting Rajya Sabha Members of States concerned.

- 4.9 The balance of funds (funds not committed for the recommended and sanctioned works) left by the nominated Members of Rajya Sabha in the Nodal District will be equally distributed amongst the successor nominated Members of Rajya Sabha by the Government of India.

However, the unspent balance of former Nominated Rajya Sabha Members from 1993-94 to 2004-05, if not already distributed, will be equally distributed among the sitting Nominated Rajya Sabha Members.

4.10 The balance of funds (funds not committed for the recommended and sanctioned works) left the Anglo-Indian nominated Lok Sabha MPs will be equally distributed among the successor Anglo-India nominated Lok Sabha MPs by the Government of India.

However, the unspent balance of former Anglo-Indian Nominated Lok Sabha Members from 1993-94 to 2004-05, if not already distributed, will be equally distributed among the sitting Nominated Lok Sabha Members.

4.11 The unreleased fund by the Government of India will follow the pattern stipulated in clauses 4.7 to 4.10 as the case may be and the fund release will be done by the Government of India.

4.12 Generally a vacancy caused prematurely due to resignation etc. of an elected /nominated Rajya MP is filled up by election/nomination for the remaining term of the MP vacating the seat. The total term of both the MPs in such cases remains six years. Therefore, the new MP will be treated as a successor of the MP vacating the seat prematurely and balance funds will not be distributed among other MPs but just transferred to MPLADS Account of the successor MP.

4.13 The District Authority can sanction works upto the entitlement of the MP for that year without even physical availability of funds. Funds will be released by the Government as per the eligibility stipulated in Paragraphs 4.2 and 4.3,

4.14 The District Authority and the Implementing Agencies shall deposit the funds in a nationalized bank. Separate account will be opened for each MP for the purpose.

4.15 The District Authority may release advance upto 50% of the estimated account of a sanctioned work to an Implementing Agency. On the basis of the physical and financial report furnished by the Implementing Agency, the District Authority can release the remaining funds when 60% of the advance has been utilized.

4.16 The interest accrued on the funds released under the Scheme, to the District Authority is to be used for the permissible works recommended by the MP concerned. The interest accrued on the funds released under the Scheme to the Implementing Agencies shall be calculated while arriving at the savings for each work. The savings for each work shall be refunded to the District Authority within 30 days of the completion of the work.

4.17 **Contingency Expenses:** The District Authority can utilize upto 0.5% of the amount spent on completed projects in a year under MPLADS as 'contingency expenses' on the items like i) Purchase of Stationary; ii) Office equipment including computer (excluding laptop); iii) Telephone/ fax charges, postal charges; and iv) Expenses incurred (a) to make MPLADS works monitoring software operational and (b) to get the audit certificate and audit of the accounts.

This amount must not be used for meeting the cost of items like a) Purchase of any type for office furniture; vehicles; air-conditioners, refrigerators etc. and b) Renovation and maintenance of office building.

A separate account for such expenditure incurred during a year under MPLAD Scheme shall be maintained and MP concerned shall be kept informed besides making available details of scrutiny by audit.

- 4.18 **Administrative and centage charges:** The District Authority and Implementing Agencies shall not levy any administrative charges, centage, salary of any person, travel cost etc. for their services in respect of preparatory work, implementation and supervision of projects/ works under MPLADS. The District Authority shall not charge any administrative expenses for the MPLADS works.

5. ACCOUNTING PROCEDURE

- 5.1 The District Authority and Implementing Agencies shall maintain accounts of MPLADS funds, MP-wise. Cash Book and other Books of Accounts shall be maintained as per the State/UT Government procedure. MPLADS funds received by the District Authority from the Government of India and the Implementing Agencies receiving the funds from the District Authority shall be kept only in Savings Bank Account of a nationalized Bank. Only one Account shall be maintained per MP. Deposit of MPLADS funds by the District Authority Implementing Agencies in the State/UT Government Treasury accounts is prohibited.
- 5.2 District Authority shall also maintain different head wise list of works executed (Head and code of Works may be seen at **Annex - IV E**) in an Asset Register for all the MPLADS works created in the District and the Constituency for which the MPLADS funds were received.
- 5.3 On completion of a work, the Implementing Agency shall quickly finalize the accounts for that work and shall furnish a work completion report and Utilization Certificate and return the un-utilized balance (savings) and interest within 30 days to the District Authority concerned. The model work completion report is at **Annex - VII**. The District Authority and the Implementing Agency would arrange to transfer the asset to the User Agency without any delay. The User Agency should take it on its books for normal operation and maintenance.

Utilization and Audit Certificates

- 5.4 The District Authority and Implementing Agencies will properly maintain MPLADS accounts. District Authority will furnish Utilization Certificate every year in the form prescribed in the Guidelines (**Annex - VIII**) to the State Government and the Ministry of Statistics and Programme Implementation. These accounts and Utilization Certificates will be audited by the Chartered Accountants or the Local Fund Auditors or any Statutory Auditors as per the State/UT Government procedure. The Auditors should be engaged by State/UT Government for each District Authority on the basis of the

recommendation of the Accountant General of the State/UT concerned. The District Authority will submit for every year and audited accounts, reports and certificates to the State Government and the Ministry of Statistics and Programme Implementation. The normal audit procedures would apply under the Scheme for auditing the accounts of the District Authority and Implementing Agencies. In addition the Controller and Auditor General of India will undertake test audit and send reports to the District Authorities, the State Government and the Ministry of Statistics and Programme Implementation.

- 5.5 The Audit Report should be prepared MP wise and should *inter alia* cover the following aspects: (i) number of Savings/other Bank Accounts being maintained by the District Administration and the Implementing Agencies; (ii) if any fund held in fixed deposits (Fixed deposits are not permissible); (iii) whether interest accrued in Savings Account has been taken as receipt and utilized for the Project; (iv) delay, if any, in crediting the Accounts of the District Authority and Implementing Agencies by the receiving Bank – if so, the period of delay; (v) whether Bank reconciliation in respect of Cash Book balance and Pass Book balance is being done every month; (vi) the bank reconciliation should also cover interest accruals. The Bank reconciliation statement as on 31st March should be attached to the Audit Report; (vii) proper maintenance of Cash Book by the District Authority and Implementing Agencies; (ix) actual expenditure incurred out of advances to the Implementing Agencies; and closing balances with them; (x) Diversion of funds, works prohibited and inadmissible items of expenditure (The details along with the views of District Authority in each case shall form part of the audit report for the District Authority to get such audit objection settled and follow up audit in succeeding year); and (xi) Utilization of earmarked fund for ST and ST areas.
- 5.6 The Audit Certificate furnished by the Chartered Accountants shall be submitted for every year by the District Authority along with replies to each of the audit objections on or before 30th September of the succeeding year. It will be the responsibility of the District Authority to ensure that all audit objections are settled forthwith. The Implementing Agencies are to submit works completion report and associated fund utilization report to the District Authority. The Chartered Accountants will audit all such reports and records and furnish their certificate in a model Audit Certificate prescribed in these Guidelines (**Annex – IX**). The audit fee may be paid under contingency expenses as per item iv (b) of Paragraph 4.17.
- 5.7 There are former elected and nominated Members of Rajya Sabha and nominated Member of Lok Sabha who recommended works under MPLADS. Those are yet to be completed, for which works Completion Report, Utilization and Audit Certificate are to be furnished by the District Authorities along with Monthly Progress Report (**Annex – VI**).
- 5.8 The District Authorities have been implementing MPLADS since 1993-94. They are to submit periodically works Completion Report, Utilization Certificate, and Audit Certificates. These Certificates are to be furnished to the Ministry of Statistics and Programme

Implementation right from inception. Following time frame is drawn up for the District Authorities to submit these Completion Reports, Utilization Certificates, and Audit Certificates:-

Year	All works Completion Reports	Utilization and Audit Certificates
1993-1994 to 1998-99	31.03.2006	30.06.2006
1999-2000 to 2002-03	30.06.2006	30.09.2006
2003-2004 to 2004-05	30.09.2006	31.12.2006

6. MONITORING

6.1 Role of MPLADS Parliamentary Committees: There are two Committees of Parliament (Rajya Sabha and Lok Sabha) on Members of Parliament Local Area Development Scheme which receive representations from MPs and the proposals submitted by the Government of India to advise the Ministry of Statistics and Programme Implementation, Government of India for appropriate action. The role of the Committees is decided by the Speaker, for Lok Sabha Committee and Chairman Rajya Sabha for Rajya Sabha Committee on MPLADS.

6.2 Role of the Central Government

- i) The Ministry of Statistics and Programme Implementation shall monitor the overall position of funds released, cost of works sanctioned, fund spent, etc.
- ii) The Ministry will monitor the receipt of Completion Reports, Utilization Certificates, and Audit Certificate from the District Authorities.
- iii) The Ministry will bring out Annual Report on the implementation of MPLADS including the facts relating to physical and financial progress.
- iv) The Ministry will, hold meetings in the States and also at the Centre at least once in a year to review the implementation of the MPLAD Scheme.
- v) The Ministry shall provide training materials for conducting training of District Officer, on MPLADS as and when these are organized by the State Governments.
- vi) the Ministry has developed the software on monitoring of MPLADS works and will operationalize through State Governments, UT Administrations and District Authorities.
- vii) The Ministry will review the utilization of funds by the District Authorities in SC and ST areas.
- viii) The Ministry will review the audit objections and issues arising out of the Audit and Utilization Certificates.

6.3 Role of State/UT Government:

- i) The Nodal Department will be responsible for coordination with the Ministry and proper and effective supervision of the MPLADS implementation in the State. To this effect a committee under the Chairmanship of the Chief Secretary/ Development Commissioner/ Additional Chief Secretary should review MPLADS implementation progress with the District Authorities and MPs at least once in a year. Secretaries should also participate in such meetings.
- ii) The States/UTs in which Divisional Commissioner arrangement exist, the Divisional Commissioners should be empowered to review the MPLADS implementation progress and guide the District Authorities.
- iii) The State/UT Government will review (a) the utilization of funds by the District Authority in SC and ST areas; (b) the audit objections and issues arising out of the audit and utilization certificates.
- iv) The State/UT Government, by specific order, shall empower the District Authorities and other District functionaries technical and administrative powers for implementation of MPLADS.
- v) The State/UT Government may make arrangements for training of district officers concerned with the implementation of the MPLADS Scheme.
- vi) The State/UT Government may authorise its officers not below the rank of Deputy Secretary/ Executive Engineer to inspect MPLADS works as and when they make official field visits. It may also check and review the number of MPLADS works inspected by the District Authorities.
- vii) The State/UT Government shall, in consultation with Accountant General of the State/UT, engage the Auditor for auditing MPLADS accounts of each District Authority.
- viii) The State/UT Government shall hoist data on MPLADS implementation in the State on their websites.
- ix) The State/UT Government shall distribute the unspent balance of Rajya Sabha MPs as stipulated Paragraph 4.8.

6.4 Role of the District Authority: The District Authority's role has been outlined in different paragraphs of the Guidelines. Here the District Authority's role on coordination and supervision is being indicated.

- i) The District Authority would be responsible for overall coordination and supervision of the works under the scheme at the district level, and inspect at least 10% of the works under implementation every year. The District Authority should involve the MPs in the inspections of projects to the extent feasible.

- ii) The District Authority shall enforce the provisions made in the Paragraph 2.5 on the earmarked 15% and 7.5% of funds for MPLADS works in the SC and ST respectively.
- iii) The District Authority shall maintain the work-registers indicating the position of each work recommended by the MPs and shall furnish work details along with a photographs of each work costing Rs. 5 lakh or more, to the Ministry in the prescribed format for web hoisting.
- iv) 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.
- vi) The District Authority shall review every month MPLADS works implementation with the Implementing Agencies. District Authority shall invite the MPs concerned to such review meetings.
- vii) The District Authority shall be responsible to settle audit objections raised in the audits.
- viii) The Nodal District Authority shall submit Monthly Progress Report to the Government of India, State/UT Government and the MP concerned for each MP separately in the format available at **Annex - VI** on or before 10th of the succeeding month. With regard to the execution of works in the SC and ST areas, physical and financial details shall be furnished in Part IV and V of format available at **Annex - VI**.
- ix) As per paragraph 4.8, the Nodal District Authority shall report to the State/UT Government about the unspent of the elected Rajya Sabha MP concerned. He shall also report to the Government of India the details as per paragraphs 4.9 and 4.10.

6.5 Role of Implementing Agencies:

- i) It will be the responsibility of the officers of the Implementing Agencies to regularly visit the works spots to ensure that the works are progressing satisfactorily as per the prescribed procedure and specifications and the time schedule.
- ii) The Implementing Agencies shall furnish physical and financial progress of each work to the District Authority every month with a copy to the concerned State Department. The Implementing Agencies should provide the report also in the soft format.
- iii) The Implementing Agencies shall furnish completion report/certificates and Utilization Certificates to the District Authority within one month of completion of the works.

- iv) The Implementing Agencies shall also refund the District Authority the savings (balance amounts) including interest, if any, at their disposal within one month and close the Bank Account opened for the purpose.

7. APPLICATION OF THE GUIDELINES:

- 7.1 The Guidelines will come into force with immediate effect. These Guidelines on MPLADS supercede the extant Guidelines and instructions issued there under.
- 7.2 Clarification, if any, in the Guidelines on the MPLADS or interpretation of any provision of these Guidelines shall be referred to the Ministry of Statistics and Programme Implementation and its decision shall be the final.

**FORM FOR CHOICE OF NODAL DISTRICT
(For all Members of Parliament)**

I am elected/nominated Member of Rajya Sabha/ Lok Sabha with effect from _____ (date, month, year). My Choice of the Nodal District for implementation and release MPLADS funds is:

District Opted : _____

District Address : _____

PIN:

--	--	--	--	--	--	--

State/UT in which the district fall : _____

(SIGNATURE)

Full Name :

(In capital letters)

Date :

Permanent Address _____

Delhi Address: _____

PIN:

--	--	--	--	--	--	--

PIN:

--	--	--	--	--	--	--

Telephone with STD _____

Telephone _____

Fax _____

E-mail _____

(Any change in the addresses in future may also be intimated immediately)

To

Director (MPLADS)
Ministry of Statistics and Programme Implementation,
Government of India,
Sardar Patel Bhawan, Parliament Street,
New Delhi - 110 001

Copy to:

Shri/Smti _____ Secretary,
_____ Nodal Department, State Government _____

Copy to:

Shri /Smti _____ Secretary,
_____ District, At _____ P.O. _____ PIN _____

LIST OF WORKS PROHIBITED UNDER MPLADS

1. Office and residential buildings belonging to Central and State Governments, their Departments, Government Agencies/ Organisations and Public Sector Undertakings.
2. Office and residential buildings, and other works belonging to private, cooperative and commercial organizations.
3. All works involving commercial establishments/units.
4. All maintenance works of any type.
5. All renovation and repair works except heritage and archaeological monuments and buildings with specific permission available from Archaeological Survey of India.
6. Grants and loans, contribution to any Central and State/UT Relief Funds.
7. Assets to be named after any person.
8. 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. (This will be subject to 10% of the Capital Cost of the work for which such items are proposed).
9. Acquisition of land or any compensation for land acquired.
10. Reimbursement of any type of completed or partly completed works or items.
11. Assets for individual /family benefits.
12. All revenue and recurring expenditure.
13. Works within the places of religious worship and on land belonging to or owned by religious faith/group.

**FORMAT FOR RECOMMENDING ELIGIBLE WORKS
BY
MEMBER OF PARLIAMENT
(The recommendation may be given on the MP's letter head)**

Place:

Date:

From

Name
Member of Parliament (Lok Sabha/Rajya Sabha)
Address

To

The District Authority
(District Collector/Deputy Commissioner/District Magistrate/
Commissioner of Municipal Corporation / CEO of
District Planning Committee)

Sub: **Recommendation of works under MPLADS Scheme.**
Sir,

I recommend that the following works may please be scrutinized and sanctioned, in the order of priority indicated below, from the MPLADS fund. The works in he Priority No and are meant for the development of areas inhabited SC and ST population respectively.

Priority No.	Name and Nature of work*	Location	Approx cost (Rs. in lakh)
1.			
2.			
3.			
4.			
5.			

Please refer to **Annex – IV E** of the Guideline

(The priority list can be increased if the MP recommends more works upto the entitlement).

- The above works may please be got scrutinized and technical, financial and administrative sanction issued within 45 days of receipt of this letter. The sanctioned works should be completed quickly as per the provisions of the MPLADS Guidelines. I may please be kept informed of the sanction and the progress of the works implementation. If any of the recommended work is found to not eligible, and if the sanction is delayed beyond 45 days, reasons for the same may be intimated to me.

Yours faithfully,

(Signature of MP)

**MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME
Input Format for the District Authority**

State	<input type="text"/>	Implementing District	<input type="text"/>
Whether LS/Rs.	<input type="checkbox"/>	Nodal District	<input type="text"/>
Constituency: if LS	<input type="text"/>	MP	<input type="text"/>
Block/Urban	<input type="text"/>	Ward/Gram Panchayat	<input type="text"/>
Report for	<input type="text"/>	<input type="text"/>	<input type="text"/>
	M	M	Y Y Y Y

1.	Work Identity No.	<input type="text"/>			
2.	Work with Location	<input type="text"/>			
3.	Sector	<input type="text"/>			
4.	Scheme	<input type="text"/>			
5.	No of S.C. and population covered by this work	<table border="1"><tr><td>(SC)</td><td>(ST)</td><td>(Total)</td></tr></table>	(SC)	(ST)	(Total)
(SC)	(ST)	(Total)			
6.	a) Date of Receipt of Proposal	<table border="1"><tr><td>(dd)</td><td>(mm)</td><td>(yyyy)</td></tr></table>	(dd)	(mm)	(yyyy)
(dd)	(mm)	(yyyy)			
	b) Priority No. of Proposal recommended by MP	<input type="text"/>			
	c) Date of Sanction	<table border="1"><tr><td><input type="text"/></td><td><input type="text"/></td><td><input type="text"/></td></tr></table>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>			
	d) Date of Work Commencement	<table border="1"><tr><td><input type="text"/></td><td><input type="text"/></td><td><input type="text"/></td></tr></table>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>			
7.	Work Cost Sanctioned (Rs.)	<input type="text"/>			
8.	Implementing Agency	<input type="text"/>			
9.	Date of Completion	<table border="1"><tr><td>(dd)</td><td>(mm)</td><td>(yyyy)</td></tr></table>	(dd)	(mm)	(yyyy)
(dd)	(mm)	(yyyy)			
	a) Original (as indicated on sanction order)	<table border="1"><tr><td>(dd)</td><td>(mm)</td><td>(yyyy)</td></tr></table>	(dd)	(mm)	(yyyy)
(dd)	(mm)	(yyyy)			
	b) Anticipated Expenditure (Rs.)	<input type="text"/>			
10.	Cumulative Expenditure (Rs.)	<input type="text"/>			
11.	Present Status (N-Not yet started, O-Ongoing, C-completed, D-Discontinued)	<input type="text"/>			
12.	Physical Progress (%)	<input type="text"/>			
13.	Cumulative Amount Released (Rs.)	<input type="text"/>			
14.	Date of last Release of Payment	<table border="1"><tr><td>(dd)</td><td>(mm)</td><td>(yyyy)</td></tr></table>	(dd)	(mm)	(yyyy)
(dd)	(mm)	(yyyy)			
15.	If Completed, Amount of Saving (Rs.)	<input type="text"/>			
16.	Date of Refund of Saving	<table border="1"><tr><td>(dd)</td><td>(mm)</td><td>(yyyy)</td></tr></table>	(dd)	(mm)	(yyyy)
(dd)	(mm)	(yyyy)			
17.	If completed, Date of handing over to the User Agency	<table border="1"><tr><td>(dd)</td><td>(mm)</td><td>(yyyy)</td></tr></table>	(dd)	(mm)	(yyyy)
(dd)	(mm)	(yyyy)			
18.	If completed, Date of submission of Completion Report by Implementing Agency	<table border="1"><tr><td>(dd)</td><td>(mm)</td><td>(yyyy)</td></tr></table>	(dd)	(mm)	(yyyy)
(dd)	(mm)	(yyyy)			
19.	REMARKS IF ANY This space may be used to mention reasons for Discontinued Projects/ Delay in execution / Non Completion or any other remarks and steps taken for revival / early commencement and completion of the work.	<div style="border: 1px solid black; height: 150px; width: 100%;"></div>			

**MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME
Input Format for the Master Data Entry**

State	<input type="text"/>	Implementing District	<input type="text"/>
Whether LS/Rs.	<input type="checkbox"/>	Nodal District	<input type="text"/>
Constituency if LS	<input type="text"/>	MP	Report for
Block/Urban	<input type="text"/>	Ward/Gram Panchayat	<input type="text"/>
1. Work Identity No.	<input type="text"/>		
2. Work with Location	<input type="text"/>		
3. Sector	<input type="text"/>		
4. Scheme	<input type="text"/>		
5. No of S.C. and population covered by this work	<input type="text"/>	(SC)	(ST) (Total)
6. a) Date of Receipt of Proposal	<input type="text"/>	(dd)	(mm) (yyyy)
b) Priority No. of Proposal recommended by MP	<input type="text"/>		
c) Date of Sanction	<input type="text"/>	<input type="text"/>	<input type="text"/>
d) Date of Work Commencement	<input type="text"/>	<input type="text"/>	<input type="text"/>
7. Work Cost Sanctioned (Rs.)	<input type="text"/>		
8. Implementing Agency	<input type="text"/>		
9. Date of Completion	<input type="text"/>	(dd)	(mm) (yyyy)
Original (as indicated on sanction order)	<input type="text"/>	S.C.	Yes/No
10. Does the work benefit S.C. and S.T. population ? (indicate S.C. & S.T. population out of population)	<input type="text"/>	S.T.	Yes/No

**MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT
Input Format for Monthly Data Entry**

State	<input type="text"/>	Implementing District	<input type="text"/>
Whether LS/Rs.	<input type="checkbox"/>	Nodal District	<input type="text"/>
Constituency if LS	<input type="text"/>	Name of MP	<input type="text"/>
		Report for Month (mm/yyyy)	<input type="text"/>
Block Name	<input type="text"/>	Village Name	<input type="text"/>

- | | | | |
|---|----------------------|----------------------|----------------------|
| | (dd) | (mm) | (yyyy) |
| 1. Date of completion Anticipated now (Actual if Completed) | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 2. Cumulative Expenditure (Rs.) | <input type="text"/> | | |
| 3. Present Status
(N- Not yet started, O-Ongoing, C-Completed, D-Discontinued) | <input type="text"/> | | |
| 4. Physical Progress (%) | <input type="text"/> | | |
| 5. Cumulative Amount Released (Rs.) | <input type="text"/> | | |
| | dd | mm | yyyy |
| 6. Date of last Release of Payment | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 7. If completed, Amount of Saving (Rs.) | <input type="text"/> | | |
| 8. Date of Refund of Saving to the District Authority | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 9. If completed, Date of handing over to the User Agency | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| If completed, Date of submission of Completion Report by Implementing Agency | <input type="text"/> | <input type="text"/> | <input type="text"/> |

REMARKS IF ANY

This space may be used to mention for Discontinued Projects/ Delay in execution/ Non Completion, or any other remarks and steps taken for revival / early commencement and completion of the work.

**MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME
Format for Entry of Data by Implementing Agencies**

State District

MP

Whether LS/RS Nodal District

Constituency if LS Report for the month

Implementing Agency

1. Work Identity No.
(Should the same as given by the District)
2. Date of Completion
(Actual if Completed)
3. Cumulative Expenditure (Rs.)
4. Present Status
(N-Not yet started, O-Ongoing, C-Completed, D-Discontinued)
5. Physical Progress (%)
6. Cumulative Progress (%)
7. Date of last Release of Payment
8. If work completed, amount of savings refunded
by the Implementing Agency to the District Authority
9. Date of Refund of Saving to the District Authority
10. If completed, Date of submission
of Completion Report
11. REMARKS IF ANY

This space may be used to mention reasons for discontinued reasons for discontinued Projects/ Delay in execution / Non Completion, or any other remarks and steps taken for Revival/ early commencement and completion of the work.

LIST OF SECTOR AND SCHEMES CODES
(This is sector wise of works under MPLADS
and is subject to the provisions of Guidelines)

SL	NATURE OF SCHEME	SECTOR	SCHEME
I.	DRINKING WATER FACILITY		
	1. Tube Wells	01	001
	2. Water tanks	01	002
	3. Hand pumps	01	003
	4. Water tankers	01	004
	5. Piped Drinking Water Supply	01	005
	6. Other works for providing drinking water	01	999
II.	EDUCATION		
	1. Building for Government educational institutions	02	001
	2. Building for Government aided and un-aided educational institutions	02	002
	3. Computers for Govt. and Govt. aided educational institutions	02	003
	4. Other projects for educational institutions	02	999
III.	ELECTRICITY FACILITY		
	1. Projects for lighting of public streets and places	03	001
	2. Projects of Govt. Agencies for improvement of electricity distribution infrastructure	03	002
IV.	HEALTH AND FAMILY WELFARE		
	1. Building for hospitals, family welfare centers, public health care centres, ANM centers	04	001
	2. Procurement of hospital equipments for Govt. hospitals and dispensaries	04	004
	3. Ambulances for Government	04	003
	4. Mobile dispensaries	04	004
V.	IRRIGATION FACILITIES		
	1. Construction of public irrigation facilities	05	001
	2. Construction of flood control embankments	05	002

SL	NATURE OF SCHEME	SECTOR	SCHEME
	3. Public Lift irrigation projects	05	003
	4. Public ground water recharging facilities	05	004
	5. Other public irrigation projects	05	999
VI.	NON-CONVENTIONAL ENERGY SOURCES		
	1. Community Gobar-gas plant	06	001
	2. Non-conventional energy system/ device for community use	06	002
VIII	OTHER PUBLIC FACILITIES		
	1. Construction of community centers	07	001
	2. Construction of common shelters for old and handicapped	07	002
	3. Construction of public libraries & reading rooms	07	003
	4. Crematoriums and structures on burial/ cremation ground	07	004
	5. Common work sheds for artisans	07	005
	6. Construction of bus-sheds / stops for public Transport passengers	07	006
	7. Building for cultural activities	07	007
	8. Purchase of motor boats for flood and cyclone prone areas (not for individuals) 07	07	008
	9. Boundary walls for buildings permissible in the Scheme	07	009
	10. Public parks	07	010
	11. Hearse Vans	07	011
	12. Battery operated buses for Govt. agencies	07	012
	13. Fire tenders for Government Organisations	07	013
	14. Other public works not covered elsewhere	07	999
VIII.	ROADS, PATHWAYS AND BRIDGES		
	1. Construction of roads, approach roads, link roads, pathways	08	001
	2. Construction of foot paths	08	002
	3. Construction of culverts and bridges	08	003
	4. Level crossing at un-manned railway crossing	08	004

SL	NATURE OF SCHEME	SECTOR	SCHEME
IX.	SANITATION AND PUBLIC HEALTH		
1.	Drains and gutters for public drainage	09	001
2.	Public toilets and bathrooms	09	002
3.	Garbage collection and night soil disposal Systems, earth movers including vehicles for local bodies	09	003
4.	Other works for sanitation and public health	09	999
X.	SPORTS		
1.	Buildings for sports activities	10	001
2.	Buildings for physical training institutions	10	002
3.	Buildings for multi-gym	10	003
4.	Fixed (immovable) sports equipment	10	004
5.	Multi gym equipment	10	005
6.	Other public works for sports activities	10	999
XI.	ANIMAL CARE		
1.	Buildings for veterinary aid centres, artificial insemination centres & breeding centres	11	001
2.	Shelters for animals	11	002

Agreement Form

This Agreement is made on _____ between the Government of _____ acting through _____ designation and Address) the District Authority hereinafter called the “**First Party**” of the **First Part**;

and

The Chief Executive of the (_____ Name and address of Registered Society/ Registered Trust), hereinafter called the “**Second Party**” of the **Second Part**.

Whereas the First Party as the District Authority is the authority to get the development works implemented in _____ District, on the locally felt needs on the recommendation of the Member of Parliament, as per Guidelines on Member of Parliament Local Area Development Scheme (MPLADS).

and

Whereas the Second Party is a Society registered under the Societies Registration Act, 1860 or a Trust, registered under the Indian Trust Act, 1882 or any Registration Act of any State Government is engaged in social service and welfare activities since (Date, Month, Year) for more than _____ years and is well established and reputed one in the field of social service and welfare activities with non-profit operation and with sound financial position.

Now therefore it is hereby agreed between both the Parties to this Agreement and binds themselves to the following terms and conditions:

1. The First Party shall undertake the construction of _____ on recommendation of the Member of Parliament as per the Guidelines on Member of Parliament Local Area Development Scheme, as amended from time to time (hereinafter referred to as MPLADS) for implementation of the work under the aforesaid MPLADS.
2. The Second Party will be eligible to receive and manage the assets created out of the funds by the First Party from the Member of Parliament Local Area Development Scheme as per the Guidelines on the subject meant for the benefit and use by and/or for the public.
3. A work at (Name of the Place, District and PIN code) regarding the construction (Name of work) costing the value mutually agreed upon by the parties and that has been duly recommended by _____ (the name of concerned MP) under the MPLAD Scheme, shall be undertaken by the First Party, to be handed over to the Second Party after completion of the construction.
4. The First Party shall call for the necessary records from the Society/Trust such as the Memorandum of Association of the Society with special reference to Section 13 of the Societies Registration Act, 1860 and the trust deed of the trust with special reference to Section 77 and Section 78 of the Trust Act and be satisfied with the existence and reputation of the organization, and its

functioning as non-profit operations, transparency of performance, its sound financial position and its overall public reputation.

5. The Second Party shall give a declaration to the First Party, to the effect that the Society/Trust it represents is a live organization continuously functioning at least for the last three years engaging itself in social service and/or welfare activities.
6. The Second Party shall also give a declaration to the First Party, that the land and immovable property offered by the Second Party to the First Party for executing the development work is free from any encumbrances, free from pending litigation and not affected by the Urban Land (Ceiling and Regulation) Act, 1976.
8. The Second Party shall also give a declaration to the First Party, the assets created out of MPLADS funds for the society _____ or trust, is free from any encumbrances except advance taken for the purpose of this work/project.
9. The Second Party shall ensure that durable assets, created out of MPLADS funds in the properties offered by the Second Party, must be always be available for the use of or by the general public. In case it is found that the Second Party is not using the asset so created under MPLADS, for the purpose that was meant and/ the public do not have access to the said infrastructure, the First Party will issue necessary notice to the Second Party and after considering the views of the Second Party, if the First Party consider necessary will take over such assets and may recover the cost to the extent of investment made under MPLADS along with interest at the rate of 18%.
9. The Central/State Government shall always and at all time be the absolute owner of the durable asset created out of the MPLADS funds.
10. The Second Party shall not sell/transfer/otherwise dispose of any interest in or of such asset created out of MPLAD without the prior written approval of the State Government. After the written approval of the Government, the sale proceeds of the assets shall always vest and belong to the First Party in all circumstance to the extent of investment made under MPLADS including the interest at the rate of 18%.
11. The Second Party herein undertakes the full responsibility to ensure operation, maintenance and upkeep of the asset which will be subject to periodical audit and inspection by the First Party or any of its representative/nominee duly authorized in this behalf.
12. The Second Party shall submit to the First Party, annual report and its audited accounts on regular basis and within 90 days of the end of the Financial Year.
13. Since this indenture creates a future interest in the immovable property of the value of more than Rs. 100/- this Agreement be registered under Registration Act in the respective district.
14. In this indenture, wherever such an interpretation would be required to give the fullest possible scope and effect to the terms of the Agreement herein

contained, the expressions District Authority and the Society or Trust shall include their respective successors or permitted assignees (Assignees).

IN WITNESS WHEREOF the parties here-to-have through their duly authorized representative executed this Agreement on day and year here-in-above-written.

Executed for and on behalf of he Governor of (State) _____, by the District Authority

By

Executed for and on behalf of the Society/Trust/ Second Party by _____ having authority to sign and execute this Agreement vide resolution dated _____ of _____

In presence of following witness:

- 1. _____
- 2. _____

In presence of following witness:

- 1. _____
- 2. _____

(Rs. in Lakhs)

III FUND RECEIVED AND UTILIZED

Year	Funds received from GoI	Interest accrued	Fund received on distribution	Total funds	Funds utilized			Balance funds
					SC & ST area	Other	Total	
Total								
(a)	Funds received from the Govt. of India							
(b)	Amount of interest accrued on the funds							
(c)	Funds received on distribution							
(d)	Total (a+b+c)							
(e)	Total cost of works sanctioned							
(f)	Total Unsanctioned Balance available with the							
	Constituency (d-e)							
(g)	Actual Expenditure incurred by the Implementing Agencies							
(h)	Total funds available with the Constituency (d-h)							
(i)	Funds required to complete the sanctioned works							
(j)	Savings for Distribution to Successor MPs							
(k)	Number of works inspected by District Authority							
	(a)	During the month						
	(b)	Cumulative						

IV PHYSICAL AND FINANCIAL DETAILS OF WORKS IN SCHEDULED CASTE AREAS

Year (1)	Physical (Number of Works) (2)			Financial (Cost of works) Rs. in lakh (3)		
	Recommended 2(a)	Sanctioned 2(b)	Completed 2(c)	Recommended 3(a)	Sanctioned 3(b)	Completed 3(c)

V. PHYSICAL AND FINANCIAL DETAILS OF WORKS IN SCHEDULED TRIBE AREAS

Year (1)	Physical (Number of Works) (2)			Financial (Cost of works) Rs. in lakh (3)		
	Recommended 2(a)	Sanctioned 2(b)	Completed 2(c)	Recommended 3(a)	Sanctioned 3(b)	Completed 3(c)

Bank and Branch Name with Address _____
Details: Saving Bank Account Number _____
Branch Code _____

Place _____ Signature of District Authority
Dated _____ Name in Capital letters
Seal _____ Designation

Copy to
Shri / Smti Member of Parliament
(Address)

Note:

- i) The District Authority of the Nodal District is required to furnish a consolidated report including the information pertaining to other Districts falling in the constituency where funds were transferred for MPLADS work execution on recommendation of MP.
- ii) Sanctioned amount is the cost of such schemes only for which financial sanctions have already been issued after finalizing plans and estimates. Cost of schemes which have got only administrative approval, and not financial sanction, should not be reported.

**MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME
(MPLADS)**

**WORK COMPLETION REPORT
(To be furnished by the Implementing Agency to the District Authority)**

It is certified that work No..... , (description of work) sanctioned vide order No..... dated/...../..... to be executed under MPLADS at a cost of Rs. (in figures and words) at (place) has been completed at a cost of Rs. and has been handed over to the User Agency (Name and address) under intimation to the District Authority for use on (date)

The amount of savings i.e. Rs. (in figures and words) has been remitted to the MPLADS Account of the District Authority vide Cheque No..... dated..... drawn (Bank with address). Details of work are in the enclosed format.

Date :
Place :

Signature of Implementing Agency

**MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME
(MPLADS)**

Form of Utilization Certificate for funds received under MPLADS for the year
and for the MP constituency.

Sl. No.	Letter No. and Date	Amount	Certified that out of Rs.of grants-in-aid sanctioned during the year.....in favour of.....under the Ministry of Statistics and Programme Implementation, Government of India letter given on the margin and Rs.....on account of unspent balance of the previous year a sum of Rs.....has been utilized for the purpose of execution of works, recommended by MP concerned and as permissible under the Guidelines on MPLADS for which it was sanctioned and that the balance of Rs.....remaining un-utilized at the end of the year will be carried forward to the next year.....

2. Having been fully satisfied I certify that the conditions on which the grants-in-aid was sanctioned have been duly fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned. The following kinds of checks were exercised by me while furnishing this Utilization Certificate:-

- 1.
- 2.
- 3.
- 4.
- 5.

Place

Seal

Signature of District Authority
Name (capital letter)

Date

Designation
Telephone

**MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME
(MPLADS)**

AUDIT CERTIFICATE

It is certified that we have audited the annual Balance Sheet and accounts as on 31st March (year) and Receipt and Payment and Income and Expenditure Accounts for the year ending on that date of Member of Parliament Local Area Development Scheme (MPLADS) from the books of accounts, records and other documents produced to us by the District Authority and the Executing Agencies.

In our opinion and to the best of our knowledge and according to the explanations given to us and subject to our observations as detailed below we report that:-

- a). The Balance Sheet read together with notes thereon gives a true and correct view of the state of affairs of the MPLADS as on 31st March (year).
- b). The Income and Expenditure Accounts gives a true and correct view of the surplus of funds over expenditure of Rs..... for the year ending 31st March..... (year).
- c). The Receipt and Payment Accounts give a true and correct view of the transaction of the Scheme for the year ending 31st March..... (year).
- d). Not more than one Bank Account is operated for the Scheme.
- e). No funds are kept in the form of Fixed Deposits.
- f). Bank Reconciliation Statement is being prepared regularly every month.
- h). Cash Book is being written on real accrued basis.
- i). Expenditure shown in the Income and Expenditure Account is properly reflected in the Utilization Certificate.
- j). There is no case of diversion of funds.
- k). The following Reports certified by the Competent Authority of the District Administration form part of the Audit Certificate:-
 - i). Physical and Financial and Financial Progress Report upto 31st March..... (year)
 - ii). Cumulative Physical and Financial Progress Report upto 31st March..... (year). (In case of Lok Sabha, MPs right from the inception and for Rajya Sabha MP for the period of individual MP's tenure).
 - iii). MPLADS fund Utilization Certificate.
- l). There is no audit objection in so far as the said accounts audited by us. (In case there is any pending audit objection and objections raised during the present audit, please furnish the details. In case of the Audit objections indicated by the Chartered Accountant, the same shall be attached to this Certificate with seal and signature.

(The certificate shall on the auditing firm's letter head clearly indicating Signature, Name, Address, Telephone, Fax and e-mail of the auditor(s) with seal.)