

MPLADS scheme

August 6, 2021

In news- Around half of Rs. 2,200 crore funds allotted for ongoing MPLADS projects have lapsed.

Key updates-

- The government suspended the scheme for two years in April last year and diverted the funds for managing the COVID-19 pandemic.
- After the scheme's suspension, several MPs and parliamentary committees, including the Standing Committee on Finance (SCF), had asked the government to release MPLADS funds due from previous years for projects already sanctioned.
- The Finance Ministry has also asked the Statistics Ministry to further tighten the scheme's guidelines by September 2021, so that **"if a work sanctioned by an MP is not used for five years, it will automatically lapse even if there is a committed liability for the work to be completed"**.
- **Currently, funds released to district authorities under MPLADS are not lapsable**, while funds not released by the government in a particular year are carried forward.

About the Members of Parliament Local Area Development Scheme (MPLADS) -

- The scheme was **launched in 1993-94**.
- **The objective is** to enable the Members of Parliament (MP) to suggest and get executed developmental works of ca
- Under the scheme, **each MP has the choice to suggest to the District Collector for works to the tune of Rs.5 Crores per annum** to be taken up in his/her constituency.
- **The Rajya Sabha MPs** can recommend works in one or more districts in the **State from where he/she has been**

elected.

- **The Nominated Members of the Lok Sabha and Rajya Sabha** may select any one or more Districts from **any one State in the Country** for implementation of their choice of work under the scheme.
- **The Members of Parliament Local Area Development Division, Ministry of Statics and Programme Implementation** is entrusted with the **responsibility of implementation of the scheme.**
- **MPs can recommend work of upto 25 lakh for Natural Calamity in the state** and upto Rs. 1 crore in the country in case of Calamity of Severe Nature.
- **MPs need to recommend work worth at least 15% and 7.5% of their funds** to create assets in areas inhabited by SCs and STs respectively.
- **Funds for MPLADS can be converged with MGNREGA** for creating more durable assets and with the National Program for Development of Sports (Khelo India).
- The annual entitlement of **Rs 5 crore shall be released, in two equal instalments of Rs 2.5 crore each, by Government of India directly to the District Authority** of the Nodal District of the Member of Parliament concerned.
- The District Authority shall be responsible for timely and effective implementation of such works.

List of eligible and ineligible works under MPLADS:

- **Key priority sectors** include drinking water facility, education, electricity, non-conventional energy resources, healthcare and sanitation, irrigation facilities, railways, roads, pathways and bridges, sports, agriculture and allied activities, self-help group development, urban development.
- **Other works permitted include** construction of railway halt stations, providing CCTV cameras in strategic locations, installation of bio-digesters at stations, schools, hospitals, installation of rainwater harvesting systems in public spaces, construction of shelters for skill development.
- **Works not permitted are** construction of office and residential buildings for public and private agencies, land acquisition or paying compensation, naming assets after individuals, grants or loans to state/central relief funds, assets for individual benefits, works on lands belonging to religious groups, execution of works in unauthorized colonies.