

# Member of Parliament Local Area Development Scheme - MPLADS

## [UPSC Notes]

### What is MPLADS?

MPLADS is a governmental scheme that is fully funded and planned accordingly for the overall benefit of one and all in a particular constituency.

- Launched on 23<sup>rd</sup> Dec 1993, the division under the guidance of each MP in a particular constituency, must put forward the need for developmental works for the betterment of the people.
- It aims at giving them the best facilities and more profitable assets in the long run.
- The Members of Parliament Local Area Development Scheme was started by the Late PM P.V. Narasimha Rao. currently, this scheme is being monitored by the Ministry of Statistics and Implementation. Previously it was administered by the Ministry of Rural Development.
- It was the decision of the government not to operate the scheme in 2020 April for two financial years 2020-21 and 2021-22.
- The allotted funds for the period were given to the Ministry of Finance so that they can meet the ever-evolving needs of the local people from the particular constituencies. In a way, the fund got transferred to the consolidated fund of India for later use.

### Introduction to MPLADS

Sansad Nidhi Yojana, as it is known, is a Central Government Scheme that was launched on 23<sup>rd</sup> Dec 1993.

- This development scheme was initiated to let the parliament members work for the local needs of the people in their constituencies by recommending such work.
- Majorly these developmental works focused on the main concerns of the people living in the area including services like proper education facilities, good public health, proper sanitation in the area with clean drinking water, and one more being excellent roads.

### Features of MPLADS

The features of MPLADS are as follows:

- It is a government-funded scheme, where every individual MP is entitled to an annual fund of Rs. 5 crores, in an installment of Rs. 2.5 crores each for the developmental needs of the particular area.
- These funds are non-lapsable and started with a preliminary backing of Rs. 5 lakhs only which got increased to Rs. 2 crores and currently the amount is Rs. 5 crores.
- 15% of the entitlement amount should be used for the Scheduled Caste population and another 7.5% for the Scheduled Tribe population areas. That is how the MPs are entitled to use this money allotted for the scheme to come out with the best developmental works for their constituencies by meeting the local needs of the area.
- Members from the Lok Sabha can advise developmental works in their particular constituencies while the Members of the Rajya Sabha who have been elected can do so for the State they represent and have been elected.

## Implementation of MPLADS

An MP needs to give his/her choice of a nodal district to the Ministry of Statistics and Programme Implementation in a certain format.

- A copy of that format needs to be given to the State government and District Magistrate of the selected district.
- The Indian government releases an annual entitlement of Rs. 5 crores in two installments each of them of Rs. 2.5 crore.
- This amount is given to the District Authority of the Nodal District chosen by the MP.
- The implementing agency will be identified by the district authority, and the agency needs to implement the work timely, qualitatively, and satisfactorily.
- Within 75 days from the date of receipt of the recommendation, the recommended works must be sanctioned.
- If any work is not sanctioned within the given time limit, the district authority may inform the MPs regarding the rejection of the work within 45 days from the date of receipt of recommendations.
- Under the state and central government schemes, this scheme can be converted into stand-alone or individual projects as well. But it needs to meet the eligibility criteria of MPLADS.
- After the successful completion of the project, MPLADS funds will be released.

## Significance of MPLADS

Below we have mentioned some arguments in favor of the MPLAD Scheme.

- A good number of projects were completed under this scheme. Since the start of this scheme, 19,86,206 projects have been completed with a financial implication of 54,171.09 crores.

- The sole aim behind the scheme is to enable the MPs to not just suggest but get the best done for the local needs of the people under their constituency by building long-lasting assets with a prolonged development for the area.
- As MPs, they are allowed to suggest these developmental schemes and it is the district authorities who need to accept these projects without applying their decision-making power. They have to say a yes to such developmental works.
- Asset creation is the main aim of the scheme, keeping in mind that the existing assets keep improving so that the desired developmental works can be taken as and when required in the most current manner.

## Issues with MPLADS

The first and foremost defect of the scheme is corruption which is widespread due to the misuse of power and funds by the opinion-maker and the opinion-influencer at the same time.

- Here the selfish needs of the concerned parties would shun the overall purpose behind the scheme making it a completely bad idea for the local public when it comes to meeting their developmental needs.
- Corruption would give place to embezzlement of funds where a large amount either remains unspent over the years, not utilized properly or as per the prescribed manner, or spent based on some bias making the purpose go haywire.
- The process of sanctioning funds should be strong enough so that the work can be carried out as frequently as possible.
- There should be no lapses and the funds must be monitored as well as supervised to take out the best for the overall good of one and all.

## MPLADS - Way Forward

There is a need of making the MPLADS fund lapsable. If the MP fails to give enough works to cover the huge part of the fund for the year, then the unspent balance should be returned to the Ministry at the Centre.

- State nodal department needs to be strengthened in terms of infrastructure and staff.
- The collector may continue to receive recommendations of works from MPs and funds from the Ministry.
- The PRIs may be involved in the monitoring and execution to a larger extent.