



MP Local Area Development Scheme

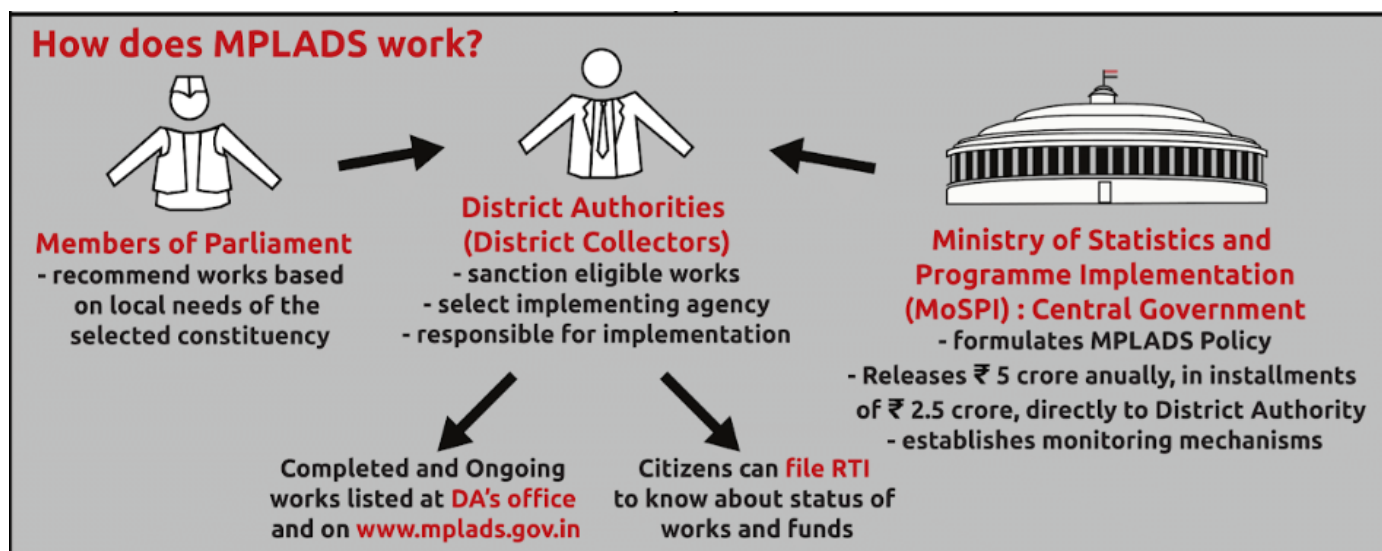
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Why in News?

The **Minister of State for MoSPI** laid out detailed provisions of the **Revised [Member of Parliament Local Area Development Scheme \(MPLADS\) Guidelines 2023](#)** in the [Parliament](#), for its effective utilization.

What is the MPLADS Scheme?

- **About:** MPLAD is a **Central Sector Scheme**, launched in **1993**, which enables [Member of Parliament \(MPs\)](#) to **recommend developmental works** in their **constituencies**, focusing on **durable community assets** based on local needs.
 - [Rajya Sabha](#) MPs may recommend **works in any district(s) of their state of election**, while **nominated MPs** can choose **any district(s) in any one state of the country**.
- **Implementation:** The **state nodal department** supervises the scheme, while **district authorities** are responsible for **project sanction, fund allocation and execution**.
- **Funding Allocation:** Each MP is allocated **Rs 5 crore per year** since 2011-12, released by the [Ministry of Statistics and Program Implementation \(MoSPI\)](#) to district authorities in **two installments of Rs 2.5 crore**.
 - This fund is **non-lapsable** and **can be carried forward if not utilised** in a given year.
 - MPs must allocate a **minimum of 15% and 7.5%** of their funds to **create assets** for [Scheduled Castes \(SCs\)](#) and [Scheduled Tribes \(STs\)](#), respectively.
- **Special Provisions:** MPs can spend up to **Rs 25 lakh a year outside their constituency or state** on projects that **promote national unity**, and up to **Rs 1 crore** anywhere in India for **relief after severe natural calamities**.
- **Convergence with Other Schemes:** Funds can be converged with [Swachh Bharat Mission \(SBM\)](#), [MGNREGS](#) for **asset creation** or linked to [Khelo India](#) for **sports infrastructure**.
- **Eligible Works:** Funds can create **immovable assets** on **government land** and **movable assets** for **government-owned/controlled or aided institutions**.
 - Support is allowed on **registered social welfare society land** (≥ 3 years), **excluding MP/family involvement**.
 - Funds can also be used for **Bar Association buildings** on **court premises**, but **not for recurring expenses**.



What is the Monitoring Mechanism Under MPLAD Scheme?

Agency/Body	Functions
Ministry of Statistics and Programme Implementation (MoSPI)	Monitors fund flow , conducts annual reviews , publishes progress reports , and ensures CAG-approved audits .
Central Nodal Agency	Reviews project implementation and manages audit processes.
State/UT Governments	Constitute monitoring committees , inspect at least 1% of works annually , and commission third-party audits for high-value projects. State/UT Governments are required to fully delegate technical, financial, and administrative sanction powers to the Implementing District Authority for expeditious execution of MP-recommended projects.
District Authorities	Inspect a minimum of 10% of works each year and maintain photographic documentation.
Implementing Agencies	Conduct site inspections and ensure 100% verification of completed works.

UPSC Civil Services Examination, Previous Year Question (PYQ)

Prelims

Q. With reference to the funds under the Members of Parliament Local Area Development Scheme (MPLADS), which of the following statements are correct? (2020)

1. MPLADS funds must be used to create durable assets like physical infrastructure for health, education, etc.
2. A specified portion of each MP's fund must benefit SC/ST populations.
3. MPLADS funds are sanctioned on a yearly basis and the unused funds cannot be carried forward to the next year.
4. The district authority must inspect at least 10% of all works under implementation every year.

Select the correct answer using the code given below:

- (a) 1 and 2 only
- (b) 3 and 4 only
- (c) 1, 2 and 3 only
- (d) 1, 2 and 4 only

Ans: (d)

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