

2. Members Of Parliament Local Area Development Scheme (MPLADS)- Governance

A recent controversy erupted over alleged misuse of MPLADS funds and critics demanding the scheme should be discontinued

Critical Arguments for Scrapping MPLADS

Breach of Separation of Powers

Critics argue that MPLADS enables Members of Parliament (MPs), who are part of the legislature, to influence executive decision-making by identifying and prioritising specific development works. This role goes beyond legislative oversight and budgetary approval, amounting to micro-level executive intervention, especially at the district level.

The 2nd Administrative Reforms Commission (ARC) observed that MPs recommending specific works compromises the principle that legislators should confine themselves to law-making and policy oversight. Although execution is formally vested in district authorities, political pressure and informal influence often shape project selection and prioritisation.

Federalism and Decentralisation Concerns

MPLADS largely covers sectors such as-

1. Drinking water
2. Sanitation
3. Local roads
4. Community infrastructure

These subjects fall under-

1. State List (Seventh Schedule)
2. Local Bodies' domain under the 73rd and 74th Constitutional Amendments
3. Critics argue that MPLADS represents Union Government intrusion into constitutionally mandated state and local governance functions.

The scheme undermines-

1. District Planning Committees (Article 243ZD)
2. Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs)

ARC noted that MPLADS weakens the idea of bottom-up planning by bypassing democratically elected local institutions.

Inefficiency and Sub-optimal Asset Creation

CAG audit reports have repeatedly highlighted- Funds being used for repair, renovation or upgradation rather than creation of new durable assets. Poor asset maintenance due to lack of ownership by line departments or local bodies.

Frequent issues observed

1. Delays in fund release and project completion
2. Incomplete works and idle assets
3. Weak monitoring and documentation

This undermines the core objective of MPLADS—creation of durable community assets addressing local needs.

About MPLADS

Brief Overview

Members of Parliament Local Area Development Scheme (MPLADS) is a Central Sector Scheme launched in 1993. Administered by the Ministry of Statistics and Programme Implementation (MoSPI). Designed as a supplementary development instrument, not a substitute for state or local schemes.

Objectives

To enable MPs to recommend works based on locally felt needs.

Focus areas include-

1. Drinking water facilities
2. Sanitation infrastructure
3. Roads and bridges
4. Health, education and community infrastructure

Emphasis on durable assets with broad public utility.

Implementing Mechanism

MPs have no role in execution, only in recommending works.

Implementation is carried out by-

1. Government departments
2. Public sector agencies
3. Trusts or cooperatives

Final authority rests with the Implementing District Authority (IDA), usually the District Collector, ensuring formal executive control. This design was intended to safeguard constitutional boundaries.

Fund Allocation and Design

Each MP is entitled to ₹5 crore per year. Funds are non-lapsable, ensuring continuity of projects across financial years.

Mandatory earmarking-

1. At least 15% for SC-inhabited areas
2. At least 7.5% for ST-inhabited areas

MPLADS is meant to plug local gaps, not duplicate existing schemes.

Geographical Coverage

Lok Sabha MPs- Within their constituency

Rajya Sabha MPs- Anywhere within the state of election

Nominated MPs- Anywhere in India

Special Provisions

MPs may recommend-

1. Up to ₹25 lakh per year outside their constituency/state
2. Up to ₹1 crore for a district affected by natural calamities

These exceptions aim to introduce flexibility during emergencies.

Judicial Stand on MPLADS

Supreme Court Judgment (2010)

In Bhim Singh v. Union of India, the Supreme Court of India upheld the constitutionality of MPLADS.

Key observations-

1. Separation of powers in India is functional, not rigid.

2. MPs merely recommend, while execution lies with the executive, preserving constitutional balance.

The Court rejected the argument that MPLADS violates federalism or parliamentary norms.

Accountability Perspective

The Court held that-

1. Misuse or corruption by some MPs is not sufficient ground to abolish the scheme.
2. Adequate accountability mechanisms exist, including-
 - a. CAG audits
 - b. Parliamentary oversight
 - c. Administrative checks at the district level

The problem lies in implementation deficits, not in the constitutional design itself.

Way Ahead- Reform, Not Abolition

Strengthening Monitoring and Technology Use

Introduce real-time digital dashboards tracking-

1. Project approval
2. Fund release
3. Physical and financial progress

Mandatory geo-tagging of assets to ensure location-specific accountability. Enforce time-bound completion norms with penalties for delays.

Enhancing Transparency

Mandatory public disclosure at the district level of-

1. Recommended works
2. Fund releases
3. Utilisation Certificates
4. Completion status

Information should be easily accessible to citizens to enable public scrutiny.

Institutionalising Independent Oversight

Regular third-party audits to assess quality, cost-effectiveness and utility.

Social audits involving local communities to-

1. Detect misuse
2. Reduce political favouritism
3. Improve asset relevance

Aligning with Decentralised Planning

MPLADS works should be integrated with-

1. District Plans
2. Gram Panchayat and Municipal development plans

Strengthen convergence with PRIs and ULBs, respecting the spirit of- 73rd and 74th Constitutional Amendments This would transform MPLADS from a parallel mechanism into a complementary decentralised development tool.

Concluding Assessment

MPLADS represents a unique hybrid model of legislative input and executive execution. The core challenge is not constitutional validity, but governance quality, transparency and accountability. With

targeted reforms, MPLADS can continue to serve as a gap-filling, locally responsive development instrument rather than being scrapped outright.

