

**GOVERNMENT OF INDIA
MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION**

**LOK SABHA
UNSTARRED QUESTION No. 266
TO BE ANSWERED ON 03.02.2021**

ALLOCATION OF FUNDS

266. SHRI SAPTAGIRI SANKAR ULAKA:

Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

- (a) whether the Government is planning to allocate funds utilized by previous member to current member;**
- (b) if so, the details thereof including procedures and if not, the reasons therefor;**
- (c) the detailed process on MPLADS sanctioning of funds along with the timeline by when funds would be sanctioned for the first year and requirement for further allocations?**

ANSWER

**MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND
MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING (RAO INDERJIT SINGH)**

(a) No Sir.

(b) However, with regard to transfer of balance of MPLADS funds left by the predecessor MP to the successor MP, the relevant para of the MPLADS Guidelines are given in Annexure I;

(c) The detailed process of sanctioning of MPLADS funds and fund release and management are given in the MPLADS guidelines, details of which are given in Annexure II.

Annexure I

Relevant Para of the MPLADS Guidelines for transfer of balance of MPLADS funds left by the predecessor MPs to successor MPs

4.7 In respect of elected Members of Lok Sabha, the balance of MPLADS funds left by the predecessor MP in Lok Sabha constituency (funds not committed works of the predecessor MP) would be passed on to the successor MP from the constituency. (In case of the delimitation, separate orders will be issued).

4.8 In respect of elected Members of Rajya Sabha, the balance of funds (funds not committed for the recommended works) left in the Nodal District by the predecessor Member in a particular State on his demitting office will be equally distributed by the State Government among the successor elected Rajya Sabha Members in the State. The unspent balance of even earlier Rajya Sabha MPs if not distributed, will be equally distributed among the sitting Rajya Sabha Members of the State concerned by the State Government.

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 State Government with the approval of Government of India.

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

Annexure II

Relevant Para of the MPLADS Guidelines for sanctioning of MPLADS funds and on Fund release and management

- 3.8 If the estimated amount for a 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 as early possible but not later than 75 days of the receipt of the proposal.**
- 3.10 In case, recommendations received by the District Authority exceeds the entitlement of the MP, 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.**
- 3.12 All recommended eligible works should be sanctioned within 75 days from the date of receipt of the recommendation, after completing all formalities. The District Authority shall, however, inform MPs regarding rejection, if any, within 45 days from the date of receipt of recommendations, with reasons thereof. In case of the time limits mentioned in the section falling within the period of operation of model code of conduct notified by the Election Commission, then such period as notified by model code of conduct will not be included in the reckoning of time limits.**
- 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 shall 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.

4.1 The annual entitlement of Rs 5 crore shall be released in two equal installments 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.

4.2 At the time of the constitution of Lok Sabha, and election of Rajya Sabha Member, the first installment of Rs. 2.5 crore shall be released to the District Authority without the documents stipulated under para 4.3 below. The subsequent installments of the continuing Members of Rajya Saba and Lok Sabha will be released as per eligibility criteria indicated in paragraph 4.3.

4.3 The first installment of Rs. 2.5 crore at the time of constitution of Lok Sabha or election of Rajya sabha Member will be released in the beginning of the financial year. In the remaining years, the first installment will be released in the beginning of the financial year subject to the condition that the second installment of the previous year was released for the MP concerned and also subject to furnishing of the provisional utilization Certificate of previous year covering at least 80% of the expenditure of the first installment of the previous year.

The second installment of the MPLADS funds will be released subject to the fulfillment of the following eligibility criteria:-

(i) the unsanctioned balance amount available in the account of the District Authority after taking into account the cost of all the work sanctioned is less than Rs. 1 crore;

(ii) the unspent balance of fund of the MP Concerned is less than Rs.2.5 crore; and

(iii) Utilization Certificate and Audit Certificate of the immediately concluded financial year ending 31st March have been furnished by District Authority.

The above stipulations will be calculated from the Monthly Progress Report for each sitting and former MP term-wise separately.

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 fulfillment of criteria stipulated in Paragraph 4.3.

4.5 The entitlement of funds of a Member of Parliament for particular year is determined as under :

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

Funds will be released to Rajya Sabha/Lok Sabha MPs as per the eligibility criteria mentioned in para 4.3. However, in case of sudden death or resignation of an MP, the works which may have been duly recommended and duly sanctioned as per original eligibility, not anticipating the above contingency, would have to be completed (to avoid wastage of Government funds) irrespective of any reduced entitlement noted above due to death/resignation and the new incoming MP's full entitlement would start afresh in accordance with the above formula.

4.6 If a Lok Sabha constituency is spread over more than one district, funds for the constituency shall be released to the opted 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.
