

**MLA'S AREA DEVELOPMENT SCHEME, ASSAM
(REVISED GUIDELINES)**

1. Background:

1.1 Assam is an Agrarian State. As per 2001 census there are 266.38 lakh population, out of which more than 88 percent are living in rural areas and more than 70 percent are dependent their livelihood on Agriculture and Allied sectors. Most of the people are poor and do not have excess of employment for income generation through creation of assets etc. A large quantity of essential commodities like fish, meat, egg, milk, pulses, oilseeds, spices, etc. are annually imported from outside the State, resulting a great economic loss of the society. The shortage of these commodities are mainly due to non-utilization of available potentials at the grass-root level, although it has taken Planned Development from 1950's in the State. At present, the State has a burning problem of Unemployment and Poverty and this problem is arising due to lack of availability of adequate basic infrastructure in the State.

1.2 In view of the above socio-economic conditions, Members of the Legislative Assembly (MLA) felt the necessity for provision of certain basic facilities including community infrastructure for small works of capital nature in their local areas. State Government also felt the need for a specific mechanism to introduce a Scheme to meet the felt – needs of the people. In this context, the then Chief Minister of Assam announced in the Legislative Assembly on 22-03-1994 to implement the scheme "MLA's Area Development Scheme" in Assam in the same line of MPLAD Scheme introduced in 1993-94 by the Govt. of India. Accordingly the Chief Minister addressed to all member of Assam Legislative Assembly vide his D.O.No.CMS .I (A) 94/15 dated 1st May, 1994 regarding implementation of MLAAD Scheme.

1.3 The State Government of Planning & Development Department has introduced the "MLA's Development Scheme" in 1994-95 with the same approach of MPLAD Scheme and to develop small works of capital nature in each MLA constituency. Initially, an amount of Rs.5.00 lakh per annum was allotted against each LAC of the State. In 1995-96, the Annual fund of Rs.5.00 lakh per LAC was increased to Rs.10.00 lakh, which was further increased to Rs.20.00 lakh in 1997-98. The Annual Fund per LAC was further enhanced to Rs.30.00 lakh in 2003-04. In 2007-08, it has been decided to step up the annual amount further to Rs.40.00 lakh per LAC subject to utilization of MLAAD fund for previous years. Schemes as identified, where cost of individual work should be considered ranging minimum of Rs.25,000.00 to the maximum of Rs.5.00 lakh only.

2. Objective of the Scheme:

2.1. The objective of the Scheme is to enable MLAs to recommend the works of development nature with emphasis on generation of income through creation of durable assets including community assets based on the locally felt-needs in their constituencies. Since inception of the scheme, durable assets are being created in the area viz. drinking water supply, primary education, public health care, rural roads and culverts, market sheds etc. at the grass-root level.

2.2 The State Government of Planning and Development Department is responsible for policy formulation/guidelines, sanction & release of funds and prescribing monitoring mechanism for implementation of the Scheme. The Deputy Commissioner is designated as the Nodal Agency of the district for overall responsibility of supervision, monitoring and Co-ordination of the MLAADS implementation with the Agencies/line Departments. Planning and Development Department will release the fund to the District Authorities and the District Authorities shall report the status of MLAADS implementation to the State Government. The District Authority gets the MLAADS implemented through the local self-government /Agencies/reputed Non-Government Organizations (NGOs) construction Committee or User Group etc.

3. Salient Features of the Scheme:

3.1 The MLAAD Scheme is Planned Scheme fully funded by the Govt. of Assam. The annual MLAADS fund entitled per MLA constituency was Rs.30.00 lakh from 2003-and 40.00 lakh from the current financial year(2007-08)

3.2 All works to meet the locally felt-need with community infrastructure need more emphasis on creation of durable assets in the respective constituency under MLAAD Scheme. For receiving suggestion , the Deputy Commissioner should call for written feasible schemes from the MLA concerned.

3.3 Each MLA shall recommend works for his constituency up to the annual entitlement during the financial year preferably within 90 days of the commencement of the financial year to the concerned District Authority. The District Authority will sanction the eligible works as per the guidelines under established procedure laid down by the State Government for implementation of the Scheme.

3.4 The Deputy Commissioner shall be the District Nodal Agency/Authority to implement MLAAD Scheme in the District. The District Authority shall also identify the Agency through which a particular works(s) recommended by the MLA should be executed. The executive Agency so identified by the District Authority shall be considered as implementing agency. The district Authority may choose the implementing Agency either the line department of reputed Non-Government Organization (NGO) or Panchayati Raj Institution or local self Government or Construction Committee /User Group as capable for implementing the works satisfactorily. The Construction Committee /User Group may have a minimum 7(seven) members and a maximum of 11 (eleven) members for execution of the scheme where president shall be the D.C./A.D.C. (Dev) with Member Secretary from the line Department.

3.5 Under MLAAD Scheme, individual scheme-cost shall be considered minimum of Rs.25,000.00 (twenty five thousand) to the maximum of Rs.5.00 (five) lakh only.

3.6. For this Scheme, special attention should be given for infrastructure development of areas inhabitant by SC & ST population including natural calamities .Works can also be considered in the areas affected by the calamities like floods, cyclone earthquakes, tornado and drought etc.

4. Implementation of the Scheme:

4.1 Each MLA shall recommended eligible works on MLA's letter head duly signed by the MLA of the constituency .A letter format from the MLA to the District Authority is enclosed at Annexure-I Recommendations by Representative (s) of MLA are not admissible.

4.2 The works which shall not be allowed /eligible under the MLAAD Scheme are indicated in Annexure-II. The Scheme(S) which would like to implement on lands belongs to Trusts, Tea Garden Areas, Religious Complex including Namghar and Madrassa etc. has to take No. objection Certificate (NOC) from the concerned authority before execution of the scheme.

4.3 In case of Constituency comprises more than one district and MLA wishes to recommend works in the district other than the Nodal district, the works list in the prescribed format shall be given to the district Authority of the Nodal District with a copy to the District Authority in whose jurisdiction, the proposed works are to be executed. They shall maintain proper accounts, follow proper procedure for sanction, release and implementation for timely completion of works, District Authority will furnish the Completion Reports and Audit Certificates for such works to the Nodal District.

4.4 The District Authority shall identify the Implementation Agency capable of executing the eligible work qualitatively , timely and satisfactorily and shall follow the established work

scrutiny in the matter of works execution, and shall be responsible for timely and effective implementation of such works.

4.5 The work and the site for work execution shall not be changed, until to have concurrence of the concerned MLA.

4.6 The District Authority should get in advance a firm commitment about the operation upkeep and maintenance of the proposed assets from the User Agency concern before execution of the work in sanction.

4.7 The Deputy Commissioner shall sanction the recommended works upto the full entitlement on the basis of Technical Sanction/Approval from the appropriate Technical Authority. However, the release of funds will be regulated as specified in these Guidelines.

4.8 Where the District Authority considered the recommended works cannot be executed due to some reasons, the Authority shall inform the reasons to the MLA concerned within 30 days from the receipt of the proposal.

4.9 If the estimated amount for a work is more than amount indicated by the MLA, clarification has to be taken before sanction is accorded.

4.10 Works should be sanctioned and executed if the MLA recommends the full estimated cost of the work, but if he recommended amount is less than the required estimates and there is no other source from which deficit can be made, than the works should not be sanctioned. The shortfall in the estimated cost should be clarified with the concerned MLA within 30 days of the receipt of proposal.

4.11 Where more than one list of recommendation of scheme from MLA is receipt by the District Authority, Priority will be given as per the principal of first receipt to be considered first.

4.12 Through the District Authorities have full power to get the works approved on the basis of financial estimates prepared by the competent functionaries, yet it should be ensured adequate scrutiny, if any doubt, before according the final administrative sanction and approval. The sanction of schemes shall normally be completed by 45 days from the receipt of recommended schemes subject to availability of funds with the District Authority.

4.13 The work once recommended by the MLA and sanctioned by the Deputy Commissioner, may be cancelled if so desired by the MLA, provided execution of work has not been commenced and these cancellation does not lead to any contractual financial liability/cost of the government. On the other hand, if any scheme started execution, then it should be completed by the District Authority, even the sitting MLA is changed by election.

4.14 The MLAs concerned can recommend the MLA AD funds towards the State Government share in a Centrally Sponsored Scheme being implemented in their constituencies, provided the works are permissible under MLAAD Scheme. Similarly, the MLAAD fund can be shared for completion of the project/scheme where there is public and Community contribution in the project.

4.15 As soon as the work is completed, it should be put to public use. For greater public awareness, all completed works should be a plaque (stone/metal) carrying the inscriptions MLAADS work indicating the cost involved, the commencement, completion and inauguration date with name of the concerned MLA etc. should permanently be erected. Moreover, list of all completed and on-going MLAADS works should also be displayed at the Deputy Commissioner's Office.

5. Fund Release and Management:

5.1. The annual entitlement of Rs.40.00 lakh will be released in 2 (two) installments by the State Government of Planning and Development Department directly to the Deputy Commissioners of the district for its implementation. The 1st installment shall be released by September and the 2nd Installment by March of each Financial Year.

5.2. **The 1st Installment of MLAADS fund will be released preferably at the beginning of the financial year, but the 2nd Installment of fund will be released ,subject to the fulfillment of the following eligibility criteria:**

- (i) The un-sanctioned balance amount available with the concerned MLA's accounts of the District Authority after taking into account the cost of all works sanctioned is less than 10.00 lakh only.
- (ii) The unspent balance of fund of the MLA concerned is less than **Rs.20.00 lakh** only.
- (iii) Utilization Certificates for the previous financial years as per the format for utilization of MLAADS fund given in Annexure-III have to be furnished by the Deputy Commissioner of the District.

5.3. The stipulations at (i) and (ii) above to be calculated from the Quarterly Progress Report to be sent by the Deputy Commissioners for each sitting and former MLA of the Constituency.

5.4. The Deputy Commissioner may release upto 75 percent of estimated cost of the sanctioned work in 1st installment to the Implementing Agency and another 20 percent in 2nd installment within 21 days subject to submission of Utilization Certificate of the 1st Installment . The balance 5 percent of fund shall be released after submission of completion report with photographs etc. of the scheme.

5.5. Interest accrued on MLAADS Funds released to the Deputy Commissioner is to be utilized for permissible works recommended by the MLA concerned. **The savings of each work shall be refunded to the Deputy Commissioner within 30 days of the completion of the work.** The savings amount should be used as per recommendation of the MLA concerned.

5.6. A separate account of all expenditure incurred against each LAC during the year shall be maintained and MLA concerned should be kept informed from time to time. Further, ,to avoid anomaly on accounts of the MLAADS along-with MPLADS and Untied Funds ,all Deputy Commissioners shall arrange quarterly Reconciliation of Accounts for expenditure with the Accountant General, Assam.

5.7 In case of preparation of estimates and its implementation , the Deputy Commissioner can utilize 0.30 percent of cost of each work as contingency expenditure .But there is no other centage charges while implementing the scheme.

5.8 The MLAADS funds are normally Non-lapsable and funds are expected to be utilized in the same financial year. However, if the installment is released to the Deputy Commissioner , the same would be allowed to be utilized in the next financial year. But in this case , the installment in the next year would not be released unless the previous installment is utilized and utilization certificate is submitted. The installment which is not released to the Deputy Commissioner during the financial year i.e. upto 31st March of the same financial year , would not be carried forward in the next year and fund would lapse accordingly.

5.9 The Deputy Commissioner shall keep the funds in any Nationalized Bank and separate account will be opened for each MLA for the purpose.

6. Accounting Procedure :

6.1 The District Authority shall maintain MLA-wise accounts of MLAADS Fund. A cash Book and other Books of Accounts shall be maintained as per established rolls and procedures of the State Government. MLAADS Funds received by the Deputy Commissioner shall be kept only in Savings Bank Account of a Nationalized Bank against each LAC.

6.2 The Bank Account shall be operated Jointly by the Deputy Commissioner and the finance and Account Officer district. There should not be any over draft on this Accounts.

6.3. The interest that will accrue from the savings should be utilized for implementation of the scheme. As per suggestion of the concerned MLA.

6.4 A clear Account on interest accrued and each utilization should be maintain by the concerned Deputy Commissioner and the Accounts are subject to Audit by the AG (Audit) ,Assam.

6.5 District Authority shall also maintain different Head-wise list of works executed in and Assets Register for all the MLAADS works created in the district and the constituency for which MLAADS Funds were received.

6.6 On completion of a work , the implementing agency shall quickly finalize the Accounts for that work and shall furnish a work completion report and utilization certificate within 30 days to the Deputy Commissioner concerned . The Deputy Commissioner and the implementing agency would arrange transfer of assets to the user agency(S) without any delay. The user Agency should take it on its Book records for normal operation maintenance.

7. Monitoring of the Scheme

7.1. Role of the State Government

- I. The State Government of Planning & Development Department shall monitor the over all position of funds released , cost of works sanctioned ,funds spent etc.
- II. The Department will also Monitor the Physical and Financial Progress of works including utilization fund of the scheme on quarterly basis .
- III. Planning & Development Department being the State Nodal Department will hold review meeting with the district Authority at list once in a year to review the implementation of the MLAAD Scheme including Audit objection etc.
- IV. Field level inspection will also be made by the Planning & Development Department for speedy implementation of the Scheme.

7.2. Role of the District Authority

- I. The Deputy Commissioner would be responsible for overall co-ordination and supervision of works at the District level and inspect at least 10 percent of MLAAD works under implementation every year. At the time of inspection , concerned MLA should be involved to the extent feasible.
- II. The Deputy Commissioner shall maintain the work register indicating the position of each works recommended by the MLAs. As separate assets register for creation of all assets with the scheme fund and subsequently transfer to the User Agencies shall also be maintain .
- III. The Deputy Commissioner will inspect all works executed by /for societies and the Trusts under MLAADS and ensure that Terms and Conditions are being complied with. In case of violation , action shall be taken by the Deputy Commissioner accordingly.
- IV. The Deputy Commissioner shall review every month MLAADS works implementation with the concern implementing Agencies.

- V. The District Authority shall be responsible to settle Audit objections raised in the Audits.
- VI. The Deputy Commissioner shall submit quarterly progress report to the State Government for each LAC separately in the format available in Annexure-IV on or before 10th of the succeeding month.

7.3. Role of Implementing Agencies.

- I. The officers of the implementing Agency shall regularly visit the works spots so as to ensure the satisfactory progress of works as per the prescribed procedure , specifications and the times schedule etc.
- II. The implementing Agencies shall furnish physical and financial progress of its works to the district Authority and also shall furnish completion report as per Annexure-V along with utilization certificate within one month of completion of the works.
- III. The implementing agencies shall also refund the savings (balance amount) if any , to the district Authority within one month of completion of works.

8. Application of the Guidelines

8.1 The Guidelines will come into force with immediate effect. This Guidelines on MLAADS supersede the extant Guidelines and instruction issued here under.

8.2 Clarification , if any , on the Guidelines on the MLAADS or interpretation of any provision of these Guidelines shall be referred to the Planning & Development Department, Dispur and its decisions shall be the final.

**Hiteswar Saikia
Chief Minister Assam**

**No.CMS.1(A) 94/15,
Dated May1, 1994**

Dear Friend,

In the Budget Session of the Assam Legislative Assembly (1994) , I announced on the floor of the house that in the line of MPs Local Area Development Scheme, we would also be introducing M.L.A.s Area Development Scheme in Assam from the **year 1994 to 1995** , earmarking Rupees 5.00 lakh for each constituency to spent for Development works of Capital nature as per scheme to be suggested by the MLA belonging to that constituency ,

Under the Scheme, the MLA will have the choice to suggest to the Deputy Commissioner , works to the tune of **Rs.5.00 lakh during 1994-95** to be taken up in his constituency , with each individual work not exceeding **Rs.2.00 lakh** we hope to increase the amount from Rs.5.00 lakh to Rs.10.00lakh , in the next financial year.

I send herewith the Guidelines for implementation of the scheme, for your perusal. I would request you to go through the guidelines and suggest scheme to the concerned Deputy Commissioner for expeditious implementation.

We have also advice the Deputy Commissioner of your district to get in touch with you for formulation of the schemes.

With best Wishes.

Yours Sincerely,
Sd/-
(Hiteswar Saikia)

**To,
Member of Assam
Legislative Assembly(ALL)**

**CHIEF MINISTER
ASSAM**

**D.O.NO.CMS.1(A) 95
May 24,1995/**

Dear Friend,

In my letter No.CNS.1 (A) 94/15 dated May 1, 1994, I had intimated to you the Guidelines to be followed in suggesting works to the tune of Rs.5.00 lakh during 1994-95 to be taken up in your constituency for the schemes chosen by you. In the last budget session of the Assam Legislative Assembly , I announced on the floor of the house that under the MLA's Area Development Scheme ,Rs.10.00 lakh for each constituency would be earmark for 1995-96 . Accordingly, I would request you to suggest to the concerned Deputy Commissioner schemes of your choice in terms of the Guidelines as was sent to you last year for expeditious implementation. However, in view of the fact that the amount earmarked for each constituency has been raised to Rs.10.00 lakh in 1995-96, against Rs.5.00 lakh last year, the guidelines issued last year stands modified to the extent that against of Rs.2.00 lakh for each individual scheme / work, it is now raised to Rs.3.00 lakh.

We are also advising the concerned the Deputy Commissioner of your district to get in touch with you for formulation of the schemes accordingly .

With best wishes

**Member,
Assam Legislative Assembly**

**Yours sincerely,
Sd/-
(Hiteswar Saikia)**

**GOVERNMENT OF ASSAM
PLANNING AND DEVELOPMENT DEPARTMENT**

OFFICE MEMORANDUM

**NO.PD/DCP/9/2003/10
June/2003**

Dated Dispur the 10th

Sub: Enhancement of Annual Allocation of fund to Rs.30.00 lakh from the existing Rs.20.00 lakh from each LAC under MLAADS from the year 2003-04.

The Governor of Assam is please to enhance the annual allocation **to Rs.30.00 lakh from** the existing amount of **Rs.20.00 lakh for each LAC** under MLAADS with effect from the financial year 2003-04 . The required funds for each LAC under the MLA's Area Development Scheme will be sanctioned as usual under the sub-divisional special problem by the Planning & Development Department. The enhancement of annual allocation has been made after due consideration of the resolution adopted and approved by the Assam Legislative Assembly on **07—03-2003**.

Sd/-
**Secretary to the Govt. of Assam
Planning & Development Department.**

Memo .NO.PD/DCP/9/2003/10-(A)

Dated Dispur, the 10th June/2003

Copy to :

1. The Commissioner & Secretary, Finance Department , Dispur for favour of information .
2. All Divisional CommissionerDivision.
3. The Secretary, Assam Legislative Assembly , Dispur for favour of information. He is requested kindly to inform all MLA's of the Assam Legislative Assembly about the contents of the office Memorandum.
4. All Deputy
Commissioner.....District for
information and necessary action.
5. P.P.S Chief Minister , Assam for kind information of the Hon'ble Chief Minister.
6. P.S. to Minister /Minister of State,for favour of
information of the Hon'ble Minister.
7. P.S to Advisers to Chief Minister, Assam for kind information of the Hon'ble Adviser .
8. P.S to Chief Secretary , Assam for favour of information
9. P.S to all Additional Chief Secretary for information.
10. Guard File.

By order etc.

**Secretary to the Govt. of Assam
Planning & Development Department.**

ANNEXURE I

**FORMAT FOR RECOMMENDING ELIGIBLE WORKS BY MLA
(The recommendation may be given of the MLA's letter head)**

From : **Name of the MLA:
Address**

To : **The Deputy Commissioner,
.....District**

Sub : Recommendation of works under MLAAD Scheme.

Sir,

I recommend that the following works may please be scrutinized and sanctioned , in the order of priority indicated below under the MLA Scheme .

Priority No.	Name of the scheme	Location	Approximate cost(Rs.in lakh)
1.			

The above works may please be got scrutinized and Technical, Financial and Administrative sanction should be completed quickly as per the provisions of the MLAADS Guidelines. I may pleased be kept inform of the sanction and the progress of the works implementation. If any of the recommended work is found non eligible, and if the sanction is delayed , reasons for the same may be intimated to the under signed.

Place :

Date :

**Yours faithfully,
(Signature of MLA)**

LIST OF WORKS PROHIBITED UNDER MLAAD SCHEME:

1. Office and residential buildings belonging to Central Government, their Department, Government Agencies /Organizations and Public Sector under takings.
2. Office and residential buildings and other works belonging to Private Institutions , Aided Institutions, Trusts, Co-operative and Commercial Organizations etc.
3. Purchase of inventory or stock of any type.
4. Repair and maintenance works of any type.
5. Grants and loans contribution to any Central and State Relief Funds.
6. Assets to be named after any individual person who has no public reward.
7. Acquisition of land or any compensation for land acquired.
8. Reimbursement of any type completed or partly completed works or items.
9. Assets of individual / family benefits . All revenue and recurring expenditure.
10. Works with in the places of religious worship but not with in the premises.
11. Purchase of any movable item except Ambulance for Medical Purposes.
12. Completion of incomplete (s).
13. Individual work costing below Rs.25.000.00 and above Rs.5.00 lakh with in the constituency.

**FORMAT
UTILISATION CERTIFICATE**

Name of the District :
Name of Scheme :
Amount Sanctioned (Rs.in lakh) :
Amount Released in the following :

(Rs.in lakh)

Sl.No.	Sanction Letter No & Date	Amount
1		
2		
3		

(Rs.in lakh)

Sl.No	Ceiling Letter No.& Date	Amount released
1		
2		

Certified that out of Rs.....lakh made available as assistance under the scheme sanctioned by Planning & Development Department during the financial yearand a sum of Rs..... lakh has been utilized for the following schemes/ works

(Rs.in lakh)

Sl. No.	Name of item of works	Estimated approved cost	Amount utilized
1.			
2.			

Total:

Certified that I have satisfied myself that the condition on which assistance from Planning & Development Department was sanctioned have been duly fulfilled / are being fulfilled and that I have exercised the following checks see that money was actually utilized for the purpose for which it was sanctioned .

Kinds of checks exercised

1. Vouchers and Books of Accounts .
2. Measurement Books .
3. Sanctioned Register .
4. Expenditure Register.

The Balance of Rs..... Lakh is remaining unutilized as on.....

Signature of User Agency : Name : Date : Place : Office Seal :	Signature of Executing Agency Counter Signature of D.C. Name: Date: Place Office Seal:
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Note: Executing Agency means the Agency which has actually carried out the work and user Agency means the agency for whom the work has been done e.g. for construction Hospital, user Agency is Superintendent of the Hospital and executing Agency will be PWD or the management committee etc.

QUARTERLY PROGRESS REPORT FOR MLA'S AREA DEVELOPMENT SCHEME, ASSAM.
(Separate from for each Assembly constituency)

I. Particulars:

Name of the Nodal District :
Name of the LAC :
Name of the MLA with Address. :

II. PARTICULARS:

year	Works recommended		Work sanctioned		Works completed		Works not completed		
	No	Estimated cost	No	Estimated cost	No	Actual cost	No	Expenditure incurred	Expenditure to be incurred
Total									

III. FUNDS RECEIVED AND UTILISED:

(Rs.in lakh)

Year	Fund received from Govt.	Interest accrued	Total funds available	Fund utilized	Balance fund
Total					

1. Funds received from Govt.of Assam. :
2. Amount of interest accrued on the funds. :
3. Total(1+2). :
4. Total cost of works sanctioned. :
5. Total Unsanctioned Balance with the Constituency (3-4). :
6. Actual expenditure incurred by the Implementing Agencies. :
7. Total Funds available with the constituency (3-6) :
8. Fund required to complete the sanctioned works. :
9. No.of works inspected by the District Authority. :
- (a) During the quarter :
- (b) Cumulative :

Name of the Bank Branch with address :
Details : Savings Bank Account Number :
Branch Code :

Place :
Date :

Signature & Seal of District Authority.

Copy to Shri/Smti..... Member of Legislative Assembly.

Note : The District Authority of the Nodal District is required to furnish a consolidated report including the information pertaining to other district falling in the constituency where funds were transferred for MLAADS work execution on recommendation of the MLA.

**MLA'S AREA DEVELOPMENT SCHEME
WORK COMPLETION REPORT**

(To be furnished by the Implementing Agency the District Authority)

It is certified that work No.....(description of work) sanctioned vide order No.....datedto be executed under MLAADS at a cost of Rs.....(in figures and words) at (place) has been completed at a cost of Rs.....and has been handed over to the User Agency(name and address) under intimation to the District Authority for use on(date).

The amount of savings i.e.Rs.....(in figures and works) has been remitted to the District Authority vide Cheque No..... datedDrawn on(Bank with address)Details of the work are in the enclosed format.

Date :
Place :

Signature of the Implementing Agency