



Government of Jammu & Kashmir
Finance Department
Civil Secretariat, Jammu/ Srinagar, J&K

Subject: - Guidelines on Constituency Development Fund (CDF) Scheme.

Government Order No. 76-FD of 2025
Date d: - 10-03-2025

Consequent upon the decision taken by the Council of Ministries, vide Decision No:- 035/04/2025 Dated: 03.03.2025, the guidelines on Constituency Development Fund (CDF) Scheme are hereby issued with immediate effect.

By order of the Government of Jammu & Kashmir.

Encl. Guidelines


Sd/-
(Santosh D Vaidya), IAS
Principal Secretary to Government.

No:- FD-DED1/6/2025

Dated:-10-03-2025

Copy to the:-

- 1- All Additional Chief Secretaries.
- 2- All Principal Secretaries/Commr./Secretaries/Secretaries to Govt. _____.
- 3- Joint Secretary (J&K), Ministry of Home Affairs, Government of India.
- 4- Divisional Commissioner, Jammu/Kashmir.
- 5- Secretary, Legislative Assembly, J&K Jammu.
- 6- All District Development Commissioners.
- 7- Director, Archives, Archaeology & Museums.
- 8- Pvt. Secretary to Hon'ble Chief Minister for kind information of the Chief Minister.
- 9- Spl. Assistant to Hon'ble Dy. Chief Minister for information of the Dy. Chief Minister.
- 10- Pvt. Secretary to Hon'ble Minister for _____.
- 11- Pvt. Secretary to Chief Secretary.
- 12- Pvt. Secretary to Principal Secretary, Finance Department for information of the Principal Secretary
- 13- Government Order/Stock file/website I/c FD/GAD.


(Sajad Hussain Ganai), JKAS 10.3.25

Director General
Development Expenditure Division-I
Finance Department.

GUIDELINES

ON

Constituency Development Fund (CDF) Scheme

For

MEMBERS OF LEGISLATIVE ASSEMBLY



**Jammu and Kashmir Government
Finance Department**

Guidelines for Constituency Development Fund (CDF) Scheme for Members of Legislative Assembly (MLAs)

Scheme:

The Constituency Development Fund (CDF) Scheme is operational in J&K since 1997-98 on the pattern of Member of Parliament Local Area Development Scheme (MPLADS). Under the scheme, each Member of Legislative Assembly (MLA) can recommend works for creation of durable community assets based on locally felt needs. The works are to be taken up in their constituencies in the priority areas viz; drinking water, roads, education, public health, sanitation, power distribution, tourist infrastructure, etc. to maximize the welfare of the local people in line with their needs and preferences.

Under this scheme, each MLA will have the choice to suggest to the District Development Commissioner (DDC) works to the tune of Rs 300.00 lakhs per year, to be taken up in his/her constituency. Nominated members of legislative Assembly may also select works for implementation in any part of the UT. The following guidelines on the CDF scheme, are issued for its implementation, in super session of all previous orders/circulars/guidelines on the subject.

1. Nature of work to be undertaken:

- 1.1 The works under the scheme will be developmental in nature, based on locally felt needs in the constituency.
- 1.2 Attempt should be to create durable assets. The funds will not be used for incurring revenue expenditure or for creating posts of paying salaries.
- 1.3 Only those works should be taken up which can be completed within a span of one year. In areas of higher reaches where working season is limited, the DDC, subject to the approval of the concerned MLA, may also sanction work that can be completed within two working seasons, but not exceeding two years.
- 1.4 Payment for land acquisition will not be allowed under this scheme. The land for CDF works should either be Government land or land donated by community member(s) voluntarily without any pre-condition. The land so donated should be got transferred/mutated in due course of time.

1.5 It would be desirable for the MLA to suggest individual works costing not more than Rs. 10.00 (ten lakh) per work. Works of higher than Rs. 10.00 lakh per work can be taken in specific cases necessitating such investments, provided the work is completed within the prescribed time limit.

1.6 An illustrative list of works that may be taken up under the scheme is given at **Annexure -I** and the List of works which shall not be allowed under the scheme is given at **Annexure -II**

2. Sanction and Execution:

2.1 The works can be taken up after receipt of recommendation as per prescribed format on the letter head from Hon'ble MLA.

2.2 The DDC shall ensure that the estimates are prepared, technically vetted and necessary administrative approvals (AA) are accorded within 45 days from the date of receipt of such recommendation. In no case, AA shall be accorded in anticipation of funds.

2.3 The Implementing Agencies, such as PWD, Rural Development, Irrigation, Agriculture, Health, Education, Jal Shakti, etc, while executing the works shall follow the established work scrutiny process and procedure of the UT Government.

2.4 The Implementing Agencies shall examine the technical feasibility, undertake financial estimation of work as per the approved schedule of rates, identify vendor through an open and transparent bidding process for execution of work, and shall be responsible for timely implementation of such works.

2.5 The Implementing Authority shall, before sanctioning the work, ensure that all statutory and regulatory clearances for such works have been obtained from the competent authorities and the work conforms to the guidelines.

2.6 Where the DDC feels that a certain work cannot be executed, he / she shall send a comprehensive report with the reasons to the MLA concerned.

2.7 So far as technical and administrative sanctions are concerned, decision making shall be only at the district level. For the purpose of implementation of this scheme, full and final powers

are delegated to the district technical and administrative functionaries. The DDCs should, however, ensure that the line department and the Head of Department are kept informed about the execution of these works and also utilize their expertise in technical matters.

2.8 Since the works under this scheme would be implemented by different agencies, the DDC would be responsible for the coordination and overall supervision of the works under this scheme at the district level.

2.9 The fund allocation of CDF scheme is Rs. 300.00 lakhs per year for each MLA. In case of a change in the MLA representing a constituency, the continuity of action in implementing works under the scheme should be maintained. The DDC should play a coordinating role between the past and the present MLAs and the implementing agencies so that the continuity is maintained and works are undertaken within the final ceiling. In such cases, it should be ensured that

- Works identified by the predecessor MLA and under execution, should be completed.
- Works identified by the MLA up to last day of his/her tenure are to be executed; irrespective of accord of AA provided the works are permissible and funds are available.

2.10 The DDC should ensure that provision for maintenance and upkeep of work/asset created under this scheme is forthcoming from the local body or the line department concerned or the aided institution etc.

2.11 All codal procedures shall be observed in execution of identified/appraised works under the CDF scheme. All the works taken shall be executed strictly as per General Financial Rules 2017.

2.12 The MLA shall recommend the works up to the annual ceiling within 90 days of commencement of financial year.

2.13 It shall be obligatory for the MLA to utilize at least 80% of funds in a particular financial year. In case, the expenditure is less

in the prescribed time limit; releases of subsequent year shall be withheld till such time the basic limit is achieved.

2.14 To ensure that funds are not frittered away, the cumulative cost of small works costing less than Rs. 1.00 lakhs recommended by the MLA shall not exceed Rs 10.00 lakhs in a particular year. The District authority shall decline to execute such works recommended beyond the prescribed limits.

2.15 The work and the site selected for execution shall be changed by Implementing Agency only with the concurrence of the MLA concerned. The concerned MLA can recommend change or cancel the work and site before sanction of the work by the Implementing Agency. However, no change shall be allowed once the work has been sanctioned by the Implementing Agency.

3. Release of Funds:

3.1 The full funds shall be allocated by Finance Department to each DDC at the start of each financial year. Based on the recommendations of MLAs and technically vetted estimates, the DDCs will upload the CDF works on BEAMS.

3.2 Once the works are uploaded by the DDCs, the funds will be released by Finance Department to the respective districts for each uploaded activity, subject to compliance of the activity with the CDF guidelines.

3.3 The funds shall be non-lapsable. The unspent funds under each activity as may be available on 31st of March every year with the DDC/executing agencies may be deposited to account Head No. MH:8229 in the Government treasury. The DDCs shall furnish the details of unspent balances to the Finance Department.

3.4 The unspent balances deposited to account Head No. MH:8229 will be available for utilization in the next financial year for the same activity subject to due approval of the DDC for such withdrawal. District Development Commissioner, will for this purpose maintain proper accounts separately for each constituency/District.

3.5 The whole process of Estimation, Allotment & Completion of work shall fall under purview of GFR, PAG Audit and UT/States own audit manual.

4. Monitoring Arrangement:

4.1 For effective implementation of the sanctioned works under this scheme, the DDC shall co-ordinate field inspections/ verifications, including physical audit and quality checks of all the CDF works through concerned DSEOs/ other functionaries. The DDC shall also furnish to the concerned MLA and Finance Department quarterly monitoring reports and monthly expenditure statements.

4.2 No final payments shall be released in respect of works till satisfactory verification reports are received or till successful completion of defect liability period (DLP) wherever applicable.

4.3 The DDC shall review the implementation of CDF works with the Implementing Agencies at least once every month.

4.4 The DDC shall maintain a complete and updated picture of the works for each constituency/district under this scheme and a brief presentation should be made in every meeting of District Development Council:

4.5 Monitoring formats and other issues relevant to the scheme would be decided from time to time within the frame work of the scheme.

4.6 In order that local people become aware that particular works have been executed with the funds under the CDF Scheme, signboards carrying the inscription MLA Constituency Development Fund Scheme works may be prominently erected at the sites **(as per prescribed format given at annexure V).**

4.7 Clarification, if any, on the guidelines or interpretation of any of the provisions of these guidelines or special problems/situations not envisaged under these guidelines may be referred to the Finance Department and its decision shall be final.

4.8 It shall be the responsibility of the officers of the Implementing Agencies to regularly visit the work-site to ensure that the works are progressing satisfactorily as per the prescribed procedure, specifications and time schedule.

4.9 The Implementing Agencies should also maintain the work register showing details of the physical and financial progress of projects being undertaken by them. This register should also contain the details of work-site visit made by the Implementing Agencies. They must inspect 100% of the works & BoQ

4.10 The normal financial and audit procedure would apply to all actions taken under this scheme subject to these guidelines.

4.11 As per the provisions of the Right to Information Act, 2010 and the Rules framed thereunder, all citizens have the right to information on any aspect of the CDF Scheme and the works recommended, sanctioned, or executed under it. This may include any information on works recommended by the MLA, works sanctioned or not sanctioned, cost of works sanctioned, Implementing Agencies, User Agency, etc. The Implementing Agencies are responsible to provide such information to the public in the manner as required under the Right to Information Act 2010.

ANNEXURE -I

LIST OF WORKS THAT CAN BE TAKEN UP UNDER CONSTITUENCY DEVELOPMENT FUND (CDF) SCHEME.

1. Construction/ up-gradation of buildings for Government and Government aided schools, hostels, libraries/reading rooms/ laboratories and sanitation facilities, provided the Institutions are in existence for not less than two years, computers for Higher Secondary /High Schools.
2. Construction of tube-wells, community hand pumps and water tanks for providing drinking water to the people in villages, towns or cities or execution of other works which will improve quantity and quality of works. However, the works under PHE Sector shall include development/augmentation of source, construction of storage and filtration plants, replacement of worn-out pumping machinery, but shall not include individual household connectivity.
3. Construction and up-gradation of roads, approach roads, link roads, culverts/bridges/footbridges etc. costing Upto Rs.15.00 lakhs (Rupees fifteen lakhs) in villages and towns. Selectively Kachha roads can also be constructed where the MLA concerned agrees to meet the locally felt need.
4. Construction/ upgradation of common shelters for old or handicapped.
5. Construction of building/stadium for local bodies, recognized Sports Associations and for cultural activities.
6. Construction of irrigations and drainage facilities, construction of water table recharging facilities up to Rs.20.00 lacs (Rupees Twenty lakhs).
7. Construction of Public Health Care buildings, including Family Welfare Sub-Centres, ANM residential quarters. Buildings belonging to aided institutions can also be constructed. Procurement of hospital equipment like X-ray machines etc,ambulances for Government Hospitals and setting up of mobile dispensaries in rural areas. (Ambulances can be provided to reputed service organizations like Red Cross etc. However, no post will be created by debit to the scheme).
8. Crematorium and structures on burial/cremation ground.
9. Provision of civic amenities (Public toilets, bathrooms, drains, gutters, footpaths, pathways, footbridges, water and common work sheds in slum, SC/ST Inhabitations).
10. Passenger sheds for public transport passengers.
11. Veterinary aid centres, artificial insemination centres and breeding centres.
12. Provision of Prosthetic aids.

13. Power Infrastructure: Up to Rs. 50.00 lacs for strengthening of Power Development Infrastructure. For creation/ augmentation of sub stations/ distribution, the amount shall not exceed Rs. 15.00 lacs and shall be further subject to the following conditions:
- i. The agreed load has exceeded 80% of the installed capacity of the existing transformer(s).
 - ii. The augmentation/ creation will further be subject to condition that registration and metering of all the consumers is completed and reflected in the billing process of the area where the Distribution Transformer (DT) is to be augmented.
14. The feasibility and viability of the creation/augmentation shall be certified by the Chief Engineer EM&RE of respective Divisions. The certification of the Chief Engineer will also indicate the revenue realized during the period preceding the date of making the proposal.
15. Construction of temporary shelter sheds for people affected due to natural calamity such as earthquake, floods and drought etc.
16. Creation of sports facilities like play grounds/play fields, development of parks, parking lots for vehicles, providing of civic amenities like approach road, bathrooms in Shamshan Ghats and fencing of Graveyards.
17. Grant-in-aid to old age homes/shelters/ orphanages for purchase of bedding, utensils, books and uniforms with a maximum limit of Rs. 3.00 lakhs.
18. Grant-in-aid to youth clubs/sports organization for purchase of sports equipment through Government organization/agencies with a maximum limit of Rs. 3.00 lakhs.
19. The MLAs from non-affected areas can recommend works in areas affected by natural calamities like flood, cyclone, earth quake, and drought upto Rs 10.00 lacs to DDC of the affected areas or contribute to the HCMS relief fund with specific stipulation for use in the affected areas.
20. Community infrastructure and public utility building works are also permissible for registered Societies/Trusts under the Scheme, provided that the Society/trust is engaged in the social service/welfare activity and has been in existence for the preceding three years. The existence of the Society/Trust shall be reckoned from the date it started its activities in the field, or the date of registration under the relevant Registration Act, whichever is later. The beneficiary Society/Trust shall be a well-established, public spirited, non-profit making entity, enjoying a good reputation in the area. Whether such a society/trust is well reputed or not, should be decided by the District Authority concerned on the basis of relevant factors, like performance in the

field of social service, welfare activities, non-profit orientation of its activities, transparency of its activities and sound financial position subject to the following conditions:-

I. that the ownership of the land may remain with the Society/Trust, but the structure constructed with CDF shall be the property of State Government. The Society/Trust shall undertake to operate, maintain and up keep at its cost the asset created under the Fund. If at any time, it is found that the assets created with CDF is not being used for the purpose for which the asset was funded, the Government may take over the asset and proceed to recover from the Society/Trust, the cost incurred from CDF for the creation of asset along with interest at the rate of 18% per annum calculated with effect from the date of use of CDF for the works concurred. A formal agreement **(a model agreement form is enclosed as annexure VI)** will be executed by the Society/Trust with the District Authority in favour of the Government in advance for the purpose. This agreement will be registered under the relevant Registration Act on a non judicial stamp paper of Rs 10 or more, as is applicable in the UT. No stamp duty would be required to be paid for registration as there is no formal transfer of assets.

II. Not more than Rs 15.00 lakh, can be spent front CDF, for one or more works of a particular Society/Trust in the lifetime of that society/trust. If a 'Society has already availed of CDF up to Rs 15.00 lakh, no more funds can be recommended.

21. Up-gradation of Houses: An amount up to Rs. 20.00 lacs could be channelized out of the CDF, for providing assistance to tribal/ BPL population for up-gradation of housing units on rolling basis. The funds will flow to the beneficiaries on the analogy of PMAY and will be governed by the laid down provisions regarding physical verification and scrutiny.

22. Solar Lights: While beneficiary contribution for individual solar lights will continue to be prohibited under CDF, the net cost after deduction of subsidy, which a government or Local Body/Agency has to bear for a solar light project, where the project is in a public place or where the project is for the public/community at large, and where the subsequent maintenance of the solar lights is duly provided for, will be permitted under CDF up to Rs. 10.00 lacs.

23. This list is not exhaustive and new works can be added to the list on the recommendations of MLA, only if it complies with overall principles of the scheme as mentioned herein above. The DDC /Implementing Authority may submit recommendations to the Finance Department, for inclusion of any activity in the list of works under CDF.

ANNEXURE -II

LIST OF WORKS NOT PERMISSIBLE UNDER CONSTITUENCY DEVELOPMENT FUND (CDF) SCHEME.

1. Office building, residential building and other buildings relating to Central or State Government Departments, Agencies or Organisations or Private Individuals.
2. Works/ equipment for commercial organisations, trusts, registered societies, private institutions which are not recognized by the Government.
3. The CDF funds can be used for repair and renovation of immovable assets subject to the condition that the MLA can recommend funds only upto Rs. 25 lakhs per year for all such repairs and renovations put together, provided that renovation of the asset can be taken up only after a reasonable gap of time since its original construction or last repair.
4. Memorials or memorial building.
5. Purchase of inventory or stock of any type.
6. Acquisition of land or any compensation for land acquired.
7. Assets for an individual benefit, except those which are part of approved schemes.
8. Places for religious worship.
9. Creation of posts and payment of salaries or any other kind revenue expenditure.
10. Grants and loans (one time grant to private institutions or institutions recognized by Government for creating any asset as per annexure-I will be permissible).

Annexure-III

FORMAT FOR RECOMMENDING ELIGIBLE WORKS BY MLA

(The recommendation may be given on the MLAs Letter head)

From:

Name of the Member:

Place:

Legislative Assembly:

Dated:

To

District Development Commissioner/

Subject:- Recommendation of works under CDF

Sir,

I recommend that the following works may please be scrutinized and sanctioned in the order of the priority indicated below from the CDF:

Priority No.	Name/Nature of work	Location	Amount recommended (Rs. In Lacs)

The above works may please be got scrutinized and technical, financial/administrative sanction issued within 45 days as per the CDF guidelines after receipt of this letter. The sanctioned works may please be completed at the earliest as per provisions of the CDF guidelines. I may please be kept informed of the sanction and progress of the works.

If any, of the above mentioned works is found ineligible and if, sanction is delayed beyond 45 days, reason for the same may be intimated to me.

Yours sincerely,

ANNEXURE -IV

FORMAT FOR WORK COMPLETION REPORT

(To be furnished by the Implementation Agency to the DDC)

It is certified that work No. _____ (description of works) sanction vide Order No. _____ dated _____ to be executed under CDF at a cost of Rs. _____ (in figure and words) at _____ and handed over to the _____ (Name and Address) under intimidation to DDC on _____. The amount of saving i.e, Rs. _____ has been remitted vide cheque No. _____ dated _____.

Signature of Implementing
Agency (with Seal)

Date _____

Place _____

ANNEXURE -V

FORMAT FOR SIGN BOARDS

(To be furnished by the Implementation Agency)

.....(ASSET) PROCURED/CONSTRUCTED WITH CDF SCHEME OF
GOVERNMENT OF JAMMU & KASHMIR, RECOMMENDED BY
Mr./Ms....., MEMBER OF LEGISLATIVE ASSEMBLY, JAMMU &
KASHMIR.

Date_____

Place_____

Annexure-VI

AGREEMENT FORM

This Agreement is made on _____ between the Lt. Governor of J&K acting through _____ (Designation and Address) the District Authority herein after called the "First Party" of the First Part;

And

The Chief Executive of the (_____ Name and address of Registered Society/ Registered Trust), herein after called the "Second Party" of the Second Part.

Whereas the First Party as the District Authority is the authority to get the development works implemented in _____ District, on the locally felt needs on the recommendation of the Member of Legislative Assembly, as per Guidelines on Constituency development Fund (CDF) Scheme.

And

Where as the Second Party is a Society registered under the Societies Registration Act, 1860 or a Trust, registered under the Indian Trust Act, 1882 or any Registration Act of any State Government is engaged in social service and welfare activities since _____ (Date, Month, Year) for more than _____ years and is well established and reputed one in the field of social service and welfare activities with non-profit operation and with sound financial position.

Now therefore it is hereby agreed between both the Parties to this Agreement and binds themselves to the following terms and conditions:

1. The First Party shall undertake the construction of _____ on the recommendation of the Member of Legislative Assembly as per the guidelines of Constituency Development Fund (CDF) Scheme, as amended from time to time (hereinafter referred to as CDF Scheme for implementation of the work under the aforesaid CDF Scheme.
2. The Second Party will be eligible to receive and manage the assets created out of the funds by the First Party from the Constituency development Fund (CDF) Scheme as per the Guidelines on the subject meant for the benefit and use by and/or for the public.
3. A work at _____ (Name of the Place, District and Pincode) regarding the construction of _____ (Name of the work) costing the value mutually agreed upon by the parties and that has been duly recommended by _____ (name of MLA concerned) under the CDF Scheme, shall be undertaken by the First Party, to be handed over to the Second Party after completion of the construction.
4. The First Party shall call for the necessary records from the Society/Trust such as the Memorandum of Association of the Society with special reference to Section 13 of the Societies Registration Act, 1860 and the trust deed of the trust with special reference to Section 77 and Section 78 of the Trust Act and be satisfied with the existence and reputation of the organization, and its functioning as non-profit operations, transparency of performance, its sound financial position and its overall public reputation.

5. The Second Party shall give a declaration to the First Party, to the effect that the Society/Trust it represents is a live organization continuously functioning at least for the last three years engaging itself in social service and/or welfare activities.
6. The Second Party shall also give a declaration to the First Party, that the land and immovable property offered by the Second Party to the First Party for executing the developmental work is free from any encumbrances, free from pending litigation and not affected by the Urban Land (Ceiling and Regulation) Act, 1976.
7. The Second Party shall also give a declaration to the First Party, that the assets created out of CDF Scheme for the society _____ or trust, is free from any encumbrances except advance taken for the purpose of this work/ project.
8. The Second Party shall ensure that durable assets, created out of CDF Scheme in the properties offered by the Second Party, must always be available for the use of or by the general public. In case it is found that the Second Party is not using the asset so created under CDF Scheme, for the purpose that was meant and the public do not have access to the said infrastructure, the First Party will issue necessary notice to the Second Party and after considering the views of the Second Party, if the First Party consider necessary will take over such asset and may recover the cost to the extent of investment made under CDF scheme along with interest at the rate of 18%.
9. The UT Government shall always and at all-time be the absolute owner of the durable asset created out of the CDF Scheme.
10. The Second Party shall not sell/transfer/otherwise dispose of any interest in or of such asset created out of CDF Scheme without the prior written approval of the UT Government. After the written approval of the Government, the sale proceeds of the assets shall always vest and belong to the first party in all circumstances to the extent of investment made under CDF Scheme including the interest at the rate of 18%.
11. The Second Party herein undertakes the full responsibility to ensure operation, maintenance and upkeep of the asset which will be subject to periodical audit and inspection by the First Party or any of its representative/nominee duly authorized in this behalf.
12. The Second Party shall submit to the First Party, annual report and its audited accounts on regular basis and within 90 days of the end of the Financial Year.
13. Since this indenture creates a future interest in the immovable property of the value of more than Rs.100/- this Agreement be registered under Registration Act in the respective District.
14. In this indenture, wherever such an interpretation would be required to give the fullest possible scope and effect to the terms of the Agreement herein contained, the expressions District Authority and the Society or Trust shall include their respective successors or permitted assignees (Assignees).

IN WITNESS WHERE OF the parties here-to-have through their duly authorized representative executed this Agreement on day and year here-in-above-written.

Executed for and on behalf of
Lt. Governor of J&K

by the District Authority

Executed for and on behalf of the
Society/Trust/Second Party by

_____ having authority
to sign and execute this Agreement vide
resolution
dated _____ of _____

In presence of following witnesses:
Witness:

1. _____
2. _____