



Mains Marathon

Day 9: How does the Public Account Committee (PAC) ensure financial accountability of the executive to Parliament and discuss its limitations in doing so? (250 words)

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Approach / Explanation / Answer

- Start your answer by giving a brief about PAC
- Mention the role of PAC in ensuring financial accountability of the executive to parliament.
- Mention the limitations of PAC in ensuring financial accountability of the executive to parliament.
- Conclude by giving a Way Forward

Answer

The Public Accounts Committee was **introduced in 1921 after its first mention in the Government of India Act, 1919** also called Montford Reforms.

The Public Accounts Committee is **now constituted every year** under Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha.

It presently comprises **22 members (15 members elected by the Lok Sabha Speaker, and 7 members elected by the Rajya Sabha Chairman)** with a term of one year only.

Purpose:

It was framed with the **purpose of ascertaining whether money granted** to the Government by the Parliament has been spent by the former within the “scope of demand” or not, the **PAC restricts any Minister from being elected as a member of it.**

Functions:

To **examine the accounts** showing the appropriation of the sums granted by the House to meet the expenditure, the annual Finance Accounts of the government and, Such other accounts laid before the House as the Committee may think fit **except those relating to such Public Undertakings** as are allotted to the Committee on Public Undertakings.

Apart from the **Reports of Comptroller and Auditor General of India (CAG)** on Appropriation Accounts of the Government, the Committee examines the various Audit Reports of the CAG on revenue receipts, expenditure by various Ministries/Departments of Government and accounts of autonomous

bodies.

The Committee **looks upon savings arising from incorrect estimating** or other defects in procedure no more leniently than it does upon excesses.

Role of Public Account Committee (PAC) in ensuring Accountability of Executive:

- **Provides Forum:**
 - Parliament deliberates on **matters that are complex**, and therefore need technical expertise to understand such matters better.
 - **Committees help with this by providing a forum** where members can engage with domain experts and government officials during the course of their study.
- **Build Consensus Across Political Parties:**
 - Committees also **provide a forum for building consensus** across political parties.
 - The proceedings of the House during sessions are televised, and MPs are likely to stick to their party positions on most matters.
 - **Committees have closed door meetings**, which allows them to freely question and discuss issues and arrive at a consensus.
- **Examine Policy Issues:**
 - Committees also **examine policy issues** in their respective ministries, and make suggestions to the government.
 - The government has to report back on whether these recommendations have been accepted or not.
 - Based on this, the Committees then table an **Action Taken Report**, which shows the status of the government's action on each recommendation.

Limitations of Public Account Committee in Ensuring Executive Accountability:

- **Weakening of Parliamentary System Government:**
 - A parliamentary democracy **works on the doctrine of fusion of powers** between parliament and the executive, but the Parliament is supposed to maintain oversight of the government and keep its power in check.
 - Thus, by **circumventing the Parliamentary committees** in the passing of significant legislation, **there is a risk of weakening democracy**.
- **Enforcing Brute Majority:**
 - In the Indian system, it is **not mandatory for bills to be sent to committees**. It's left to the discretion of the Chair — the Speaker in the Lok Sabha and Chairperson in the Rajya Sabha.
 - By giving **discretionary power to the Chair**, the system has been specially rendered weak in a Lok Sabha where the ruling party has a brute majority.
- **Lack of Expertise:** Most of the members of the committee doesnot possess the required skill set to qualitatively review the financial arrears.
- **Post-Mortem Analysis:** It is merely concerned with the last stage when the expenditure has already been made and report is nothing more than a post mortem report.

Parliament has the **central role in our democracy as the representative body** that checks the work of the government. In order to fulfil its constitutional mandate, it is imperative that Parliament functions effectively.

Also, **proper scrutiny of the bills is an essential requirement** of quality legislation. Circumventing the parliamentary committees while passing legislations undermines the very spirit of democracy.

