

## Public accounts: On the newly constituted PAC

The Hindu

Paper - II  
(Polity)

Over the last decade, the Central government, with a comfortable majority in Parliament, has evaded meaningful parliamentary accountability. Now, however, the BJP heads a coalition that is dependent on allies, and the Opposition is stronger. The changed situation is an opportunity for the renewal of parliamentary oversight over the executive's functioning. The proactive beginning of the newly constituted Public Accounts Committee (PAC) is a case in point. On September 2, it notified 161 subjects it had picked for deliberations during its term, most of them based on CAG reports. The panel has picked five subjects suo motu reforms in the banking and insurance sectors; review of the implementation of centrally sponsored welfare schemes; policy measures underway for transition in the energy sector; performance review of regulatory bodies established by Acts of Parliament, and the levy and regulation of fees, tariffs, user charges, on public infrastructure and other public utilities. The PAC, headed by Congress Member of Parliament K.C. Venugopal, has made use of the rule which clearly states that its functions can go "beyond the formality of expenditure to its wisdom, faithfulness, and economy". This rule has been used only rarely and to make a political point. Though the subjects picked by the PAC have political undertones, the overarching public interest involved is unmistakable.

The constitutional scheme envisages that Parliament controls the finances of the country. Any tax may be imposed only by passing legislation. All expenditure of the government needs prior sanction from Parliament through Appropriation Bills. The CAG is a constitutional office that examines and audits the financial function-

### Public Accounts Committee:

- The Public Accounts Committee (PAC) has been constituted by Lok Sabha Speaker Om Birla. The new chairman of this committee is KC Venugopal.
- 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.
- **Appointment:** The Chairman of the Committee is appointed by the Speaker of Lok Sabha. It is to be noted that the Committee, not being an executive body, can only make decisions that are advisory by nature.
- **Members:** 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.

ing of all government departments. All its reports are sent to the PAC, one of the oldest and most significant parliamentary panels. Government measures that pick the winners of the economy have led to serious allegations of crony capitalism in recent years. The government has refused to investigate the serious charges against SEBI Chairperson Madhabi P. Buch and the Adani Group, which controls seven Indian airports. Public sector banks and regulatory bodies have a lot to answer for. The BJP has already opposed any PAC investigation into these questions. The 22-member PAC has 13 members from the BJP-led NDA and nine Opposition MPs, including four from the Congress. The committee's assertive posturing could be undermined by the ruling coalition's majority. The PAC, and the Department Related Standing Committees, many of which are yet to be constituted, should assert their role as instruments of parliamentary authority and the enforcer of the executive's accountability to the people.

### Expected Question for Prelims

**Que.** Consider the following statements with reference to the Public Accounts Committee.

1. VC Venugopal is its current president.
2. Public Accounts Committee consists of 22 members, who are elected only from the Lok Sabha.

Which of the statements given above is/are correct?

- |                  |                     |
|------------------|---------------------|
| (a) Only 1       | (b) Only 2          |
| (c) Both 1 and 2 | (d) Neither 1 nor 2 |

**Answer : C**

### Mains Expected Question & Format

**Que.:** "The importance of the Public Accounts Committee in the Indian parliamentary tradition can be understood through its functions." Analyze this statement in the context of the subjects of the currently constituted Public Accounts Committee.

**Answer's Approach:**

- ❖ In the first part of the answer, discuss the functions of the Public Accounts Committee and its importance.
- ❖ In the second part, discuss the importance of this committee in the context of the subjects of the currently constituted Public Accounts Committee.
- ❖ Finally give a way forward.

**Note:** - The question of the main examination given for practice is designed keeping in mind the upcoming UPSC mains examination. Therefore, to get an answer to this question, you can take the help of this source as well as other sources related to this topic.