Q16

Explain the structure of the Parliamentary Committee system. How far have the financial committees helped in the institutionalization of Indian Parliament?

UPSC Civil Services Mains 2023 · GS II · 15 marks · Parliament and State Legislatures

Parliament and State legislatures - structure, functioning, conduct of business, powers and privileges and issues arising out of these.

Core demand of the question

- Explain the structure of the Parliamentary Committee system
- How far have the financial committees helped in the institutionalisation of the Indian Parliament?

Revision summary

Parliamentary committees are standing, financial, administrative and ad hoc.

DRSCs since 1993 examine grants, bills and ministry policy with both Houses.

PAC, Estimates Committee and COPU are the three financial committees.

PAC works on CAG reports and is conventionally chaired by the Opposition.

They institutionalise continuous financial scrutiny, not a veto on Supply.

Weak follow-up of recommendations is the main limit on that institutionalisation.

Introduction

Parliament cannot examine every clause and every rupee on the floor of the two Houses. Committees are how it institutionalises scrutiny: standing, financial, and ad hoc bodies that work across the year in a less partisan room.

Body

Structure of the committee system

- **Committees are of three broad kinds:** standing committees that are reconstituted regularly, ad hoc committees (select, joint, and inquiry) for a bill or a scandal, and administrative committees of each House (Rules, Privileges, Business Advisory).
- Departmentally Related Standing Committees, created in 1993 and later expanded, cover Union ministries; they examine Demands for Grants, bills, and long-term policy, and they have members from both Lok Sabha and Rajya Sabha.
- Each House also has subject committees of its own, such as the Committee on Petitions and the Committee on Subordinate Legislation, which watch rules made under statutes.
- Joint Parliamentary Committees are appointed by motion of both Houses when a bill or a controversy needs a single high-visibility probe.

- The Presiding Officers constitute most committees; party strength in the House is reflected in membership, which is why the system is parliamentary, not a separate fourth branch.

The three financial committees

- The Public Accounts Committee examines appropriation and finance accounts and the reports of the Comptroller and Auditor General of India; by convention its Chair is from the Opposition, and Rajya Sabha members sit with a Lok Sabha majority.
- The Estimates Committee, drawn from the Lok Sabha, examines whether money is well laid out within the policy that Parliament has voted, and it suggests economies and alternative forms of organisation.
- The Committee on Public Undertakings examines the reports and accounts of public sector undertakings and CAG reports on those undertakings; it is not a substitute for a company board.
- Together they follow the rupee after the Budget is passed, which the floor cannot do line by line.

Institutionalisation of Parliament

- **Financial committees made scrutiny a routine of the calendar, not a one-day Budget speech:** CAG reports go to PAC; undertakings go to COPU; estimates go to a Lok Sabha committee.
- Bipartisan membership and in-camera evidence create an institutional memory of ministries that dissolves less quickly than a Lok Sabha majority.
- They cannot withhold Supply; the House still votes the Demands. Institutionalisation is therefore examination and publicity, not a second budget veto.
- **Limits are real:** delayed CAG reports, poor ministerial implementation of PAC recommendations, party whips on sensitive findings, and the absence of a dedicated parliamentary budget office.
- DRSCs after 1993 extended the same method from money to ministries; financial committees remain the oldest core of that method, inherited from colonial Public Accounts practice and rewritten for a republican CAG under Articles 148 to 151.

How far

- They have institutionalised Parliament as a continuous audit forum, especially PAC with the CAG.
- They have not institutionalised Parliament as a co-equal fiscal policymaker; that still sits with the executive's Budget.

Flow diagram

Houses of Parliament -> DRSCs on ministries

Houses of Parliament -> PAC Estimates COPU

Houses of Parliament -> Ad hoc JPC Select

CAG Arts 148-151 Arts 148-151 -> PAC

PAC Estimates COPU -> Year-round institutional scrutiny

Conclusion

The committee system is standing, financial, and ad hoc, with DRSCs wrapping ministries and three financial committees wrapping the rupee. PAC, Estimates and COPU have institutionalised year-round financial scrutiny; they have not taken the Budget away from the executive, and implementation of their reports is still the unfinished test.

Facts & figures

Public Accounts Committee

Examines CAG reports on Union accounts; Chair by convention from the Opposition; members from both Houses.

Estimates Committee

Lok Sabha committee that examines the estimates of expenditure and suggests economies.

Committee on Public Undertakings

Examines PSUs and CAG reports on them; members from both Houses.

Departmentally Related Standing Committees, 1993

Ministry-wise standing committees that examine Demands for Grants and bills.

Articles 148-151

Comptroller and Auditor General; reports to the President, laid in Parliament, and used by PAC.