PUBLIC ACCOUNTS COMMITTEE

Introduction

In a parliamentary democracy like ours, the Committee system assumes great importance. Administrative accountability to the legislature becomes the sine qua non of such a parliamentary system. The check that Parliament exercises over the executive stems from the basic principle that Parliament embodies the will of the people and it must, therefore, be able to supervise the manner in which public policy laid down by Parliament is carried out. However, the phenomenal proliferation of governmental activities has made the task of legislatures very complex and diversified. By its very nature, Parliament, as a body cannot have an effective control over the government and the whole gamut of its activities. Administrative accountability to the legislature through Committees has been the hallmark of our political system. The Committee on Public Accounts enjoys the place of pride in our Committee System.

Genesis of the Committee

The Committee on Public Accounts was first set up in 1921 in the wake of theMontague-Chelmsford Reforms. The Finance Member of the Executive Council used to be the Chairman of the Committee. The Secretariat assistance to the Committee was rendered by the then Finance Department (now the Ministry of Finance). This position continued right up to 1949. During the days of the Interim Government, the then Finance Minister acted as the Chairman of the Committee, and later on, after the attainment of Independence in August, 1947, the Finance Minister became the Chairman. This naturally restricted the free expression of views and criticism of the Executive. The Committee on Public Accounts underwent a radical change with the coming into force of the Constitution of India on 26 January, 1950, when the Committee became a Parliamentary Committee functioning under the control of the Speaker with a non-official Chairman appointed by the Speaker from among the Members of Lok Sabha elected to the Committee. The Minister of Finance ceased to be a Member of the Committee *vide* Rule 309(i) of the Rules of Procedure and Conduct of Business in Lok Sabha.

Constitution of the Committee

The Public Accounts Committee is now constituted every year under Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha. The Public Accounts Committee consists of not more than 22 members comprising of 15 members elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote and not more than 7 members of Rajya Sabha elected by that House in like manner. Prior to the year 1954-55, the Committee consisted of 15 members who were elected by Lok Sabha from amongst its Members. But with effect from the year 1954-55, 7 members from the Rajya Sabha are also being associated with the Committee. Till 1966-67, a senior member of the ruling party used to be appointed by the Speaker as Chairman of the Committee. In 1967, however, for the first time, a member from the Opposition in Lok Sabha, was appointed as the Chairman of the Committee by the Speaker. This practice continues till date. The term of office of members of the Committee does not

exceed one year at a time. A Minister is not elected a member of the Committee, and if a member, after his election to the Committee is appointed a Minister, he ceases to be a member of the Committee from the date of such appointment. The Chairman of the Committee is appointed by the Speaker from amongst the members of the Committee from Lok Sabha.

Scope and Functions

The functions of the Committee, as enshrined in Rule 308(1) of the Rules of Procedure and Conduct of Business in Lok Sabha, include examination of accounts showing the appropriation of sums granted by Parliament for the expenditure of the Government of India, the annual finance accounts of the Government and such other accounts laid before the House as the Committee may think fit. In scrutinising the Appropriation Accounts of the Government of India and the Report of the Comptroller & Auditor General of India thereon, the Committee has to satisfy:

(a) that the moneys shown in the accounts as having been disbursed were legally available for, and applicable to, the service or purpose to which they have been applied or charged;

(b) that the expenditure conforms to the authority which governs it; and

(c) that every re-appropriation has been made in accordance with the provisions made in this behalf under rules framed by competent authority.

It shall also be the duty of the Committee –

(a) to examine the statement of accounts showing the `income and expenditure of state corporations, trading and manufacturing schemes, concerns and projects together with the balance sheets and statements of profit and loss accounts which the President may have required to be prepared or are prepared under the provisions of the statutory rules regulating the financing of a particular corporation, trading or manufacturing scheme or concern or project and the report of the Comptroller and Auditor General thereon.

(b) to examine the statement of accounts showing the income and expenditure of autonomous and semi autonomous bodies, the audit of which may be conducted by the Comptroller and Auditor General of India either under the directions of the President or by a statute of Parliament; and

(c) to consider the report of the Comptroller and Auditor General in cases where the President may have required him to conduct an audit of any receipts or to examine the accounts of stores and stocks.

If any money has been spent on any service during a financial year in excess of the amount granted by the House for that purpose the Committee shall examine with reference to the facts of each case the circumstances leading to such an excess and make such recommendation as it may deem fit.

Nature and Scope of Examination.

An important function of the Committee is to ascertain that money granted by Parliament has been spent by Government "within the scope of the demand." The implications of this phrase are that (i) money recorded as spent against the grant must not be more than the amount granted, (ii) the expenditure brought to account against a particular grant must be of such a nature as to warrant its record against the grant and against no other, and (iii) the grants should be spent on purposes which are set out in the detailed demand and they cannot be spent on "any new service not contemplated in the demand." The functions of the Committee extend "beyond the formality of expenditure to its wisdom, faithfulness and economy". The Committee thus examines cases involving losses, nugatory expenditure and financial irregularities. When any case of proved negligence resulting in loss or extravagance is brought to the notice of the Committee, it calls upon the Ministry/Department concerned to explain what action, disciplinary or otherwise, it had taken to prevent a recurrence. In such a case it can also record its opinion in the form of disapproval or pass strictures against the extravagance or lack of proper control by the Ministry or Department concerned. Another important function of the Committee is the discussion on points of financial discipline and principle. The detailed examination of questions involving principle and system is a leading and recognized function of the Committee. The Committee is not concerned with questions of policy in the broad sense. As a rule, it expresses no opinion on points of general policy, but it is within its jurisdiction to point out whether there has been extravagance or waste in carrying out that policy.

Regularisation of Excesses over Grants

If any money has been spent by the Government on a service in excess of the amount granted by the House for the purpose, the Committee examines with reference to the facts of each case, the circumstances leading to such an excess and makes such recommendations as it may deem fit. Such excesses are thereafter required to be brought up before the House by Government for regularization in the manner envisaged in Article 115 of the Constitution. To facilitate speedy regularization of such excess expenditure by Parliament, the Committee presents a consolidated report relating to all Ministries/Departments in advance of other reports.

Savings

The Committee looks upon savings arising from incorrect estimating or other defects or other defects of procedure no more leniently than it does upon excesses. It regards estimating on the safe side to be as faulty as estimating on the low side. In the words of the Committee "from one point of view, 'safe' estimating might be regarded as even more objectionable, as it might easily lead to extravagance, waste or worse".

Significance and Importance of Committee's Work

Lok Sabha, having voted large sums of the taxpayers' money does, in the interest of the taxpayers, expect in due course a detailed account of how the moneys have been spent. It must satisfy itself that the moneys so voted were directed to the intended purposes and were spent prudently and economically. The Comptroller and Auditor General examines the yearly accounts of the Government and after scrutiny certifies the accounts, subject to such reservations as he chooses to make, and submits his reports to the President who causes them to be laid before Parliament. It is difficult, if not impossible, for Lok Sabha to examine in detail the accounts, which are complex and technical. Further it cannot spare the time required for such examination. It is for these reasons that Lok Sabha has constituted the Committee on Public Accounts and entrusted it with the detailed examination of those accounts. Another important function of the Committee is the discussion on points of financial discipline and principle. The detailed examination of questions involving principle and system is a leading and recognised function of the Committee.

The PAC at work

The Committee's work depends a great deal upon the results of audit and examination of the Accounts of the Union Government carried out by the Comptroller and Auditor General (C&AG). The audit by the C&AG is comprehensive and manifold. To cite an example, it involves among others, (a) Accountancy Audit, (b) Regularity Audit, (c) Appropriation Audit, (d) Propriety Audit or what is also known as Discretionary Audit and (e) Efficiency-cum-performance Audit. In recent years, the technique of efficiency-cum-performance has been attempted in the audit of developmental schemes. The Audit examines as how far the implementing agency is adequately discharging its financial responsibilities in regard to the various schemes undertaken by it and ascertains whether the schemes are being executed effectively and their operations conducted economically and whether they are producing the results expected of them. In fact, the Institution of Audit plays a crucial role in the functioning of the Committee on Public Accounts and the Comptroller and Auditor General is often termed as "friend, philosopher and guide" of the Committee.

At the beginning of its term every year, the Committee makes a selection of Audit Paragraphs included in the various reports of C&AG for in-depth examination. In addition to the above, the Committee may also select one or more suo moto subjects for indepth examination during the year [in consonance with Rule 276 of the Rules & Procedure] apart from those included in C&AG Reports/Paras. After holding deliberations and taking note of the time available at the disposal of the Committee, the Committee selects the most important subjects/paragraphs on which oral examination is to be conducted.

Action Taken on Recommendations

A report has value provided it is properly followed up. In the case of original report, the Government is required to intimate to the Committee the action taken or proposed to be taken by it on the recommendations contained in the Report normally

within six months of the presentation. The Action Taken replies of the Government are considered by the Committee and after due classification of the replies, an Action Taken Report is presented to the Parliament. The Government is further required to intimate to the Committee the action taken or proposed to be taken by it on the recommendations contained in Chapter I of the Action Taken Report and also to furnish final replies in respect of the earlier recommendations contained in the Original Report in respect of which either no replies had previously been received or only interim replies had been received (i.e. Chapter V). The action taken thus reported by the Government is laid on the Table of the House in the form of a Statement without any further comments by the Committee. This system not only ensures accountability of the Executive to Parliament but also enables Parliament and also the general public to appraise Government's final replies to the Committee's recommendations. This completes the examination of a subject by the Committee.

Follow-up on Action taken by Government on Audit paragraphs not selected by the Committee

Till 1981, there was no practice of ascertaining the action taken by the Ministries/Departments on the audit paragraphs not selected by the Committee for detailed examination. However, with a view to ensure accountability of the Executive in respect of all the issues dealt with in various Audit Reports, the Public Accounts Committee decided in 1982 that the Audit Reports from the year 1980-81 onwards be referred to the Ministries/Departments concerned for furnishing notes duly vetted by Audit showing remedial/corrective action taken on all the paragraphs contained therein.

Taking note of the inordinate delays and persistent failures on the part of a large number of Ministries in reporting to the Committee the corrective action taken by them on audit paragraphs, the Committee recommended that the Action Taken Notes on all the paragraphs of the Report of Comptroller and Auditor General (C&AG) of India may be furnished to the Committee through the Ministry of Finance (Department of Expenditure) within a period of 4 months from the date of laying of Audit Reports on the Table of the House and that the Monitoring Cell, Department of Expenditure may develop and operationalise the Audit Para Monitoring System (APMS) Portal for real time monitoring of the same. At present, due to the persistent efforts of the Committee, the entire process of Audit Para settlement is online. As a result of the initiatives taken by the Public Accounts Committee, the respective Ministries/Departments have toned up their administrative machinery for timely submission of the Remedial Action Taken Notes and the Action Taken Replies on the recommendations made by the Committee, pendency figures have drastically come down, and the Committee is aiming to achieve zero pendency.

List of Chairmen since its inception

LIST OF CHAIRMEN OF THE PUBLIC ACCOUNTS COMMITTEE OF PARLIAMENT SINCE INCEPTION (1921 to 2025-26)

SL. NO.	NAME	YEAR	PARTY
1.	Mr. W. M. Hailey	1921	-
2.	Sir Basil P Blackett	1922	-
3.	Sir Basil P Blackett	1923	-
4.	Sir Basil P Blackett	1924	-
5.	Sir Basil P Blackett	1925	-
6.	Sir Basil P Blackett	1926	-
7.	Sir Basil P Blackett	1927	-
8.	Sir BhupendraNathMitra	1928	-
9.	Sir George Schuster	1929	-
10.	Sir George Schuster	1930	-
11.	Sir George Schuster	1931	-
12.	Sir Alan Parsons	1932	-
13.	Mr. A. H. Lloyd	1933	-
14.	Sir James Grigg	1934	-
15.	Sir James Grigg	1935	-
16.	Sir James Grigg	1936	-
17.	Mr. J. C. Nixon	1937	-
18.	Sir James Grigg	1938	-
19.	Sir Jeremy Raisman	1939	-
20.	Sir Jeremy Raisman	1940	-
21.	Sir Jeremy Raisman	1941	-
22.	Mr. C. E. Jones	1942	-
23.	Sir Jeremy Raisman	1943	-
24.	Sir Cyril Jones	1944	-
25.	Sir Archibald Rowlands	1945	-
26.	Sir Eric Coates Dr. John Matthai Mr. Liaquat Ali Khan	1946	-

27.	Mr. Liaquat Ali Khan Shri R. K. ShanmukhamChetty	1947	-
28.	Shri R. K. ShanmukhamChetty Dr. John Matthai	1948	-
29.	Dr. John Matthai	1949	-
30.	Shri B. Das	1950-51	INC
31.	Shri B. Das	1951-52	INC
32.	Shri B. Das	1952-53	INC
33.	Shri B. Das	1953-54	INC
34.	Shri B. Das	1954-55	INC
35.	Shri V. B. Gandhi	1955-56	INC
36.	Shri V. B. Gandhi	1956-57	INC
37.	Shri T. N. Singh	1957-58	INC
38.	Shri T. N. Singh Prof. N.G. Ranga	1958-59	INC
39.	Dr. P. Subbarayan Shri Upendranath Barman	1959-60	INCINC
40.	Shri Upendranath Barman	1960-61	INC
41.	Shri C. R. Pattabhi Raman	1961-62	INC
42	Shri MahavirTyagi	1962-63	INC
43.	Shri MahavirTyagi Shri R. K. Khadilkar	1963-64	INC
44.	Shri R. R. Morarka	1964-65	INC
45.	Shri R. R. Morarka	1965-66	INC
46.	Shri R. R. Morarka	1966-67	INC
47.	Shri M. R. Masani	1967-68	Swatantra
48.	Shri M. R. Masani	1968-69	Swatantra
49.	Shri Atal Bihari Vajpayee	1969-70	Jan Sangh
50.	Shri Atal Bihari Vajpayee	1970-71	Jan Sangh
51.	Shri Era Sezhiyan	1971-72	DMK
52.	Shri Era Sezhiyan	1972-73	DMK
53.	Shri JyotirmoyBasu	1973-74	CPI(M)
54.	Shri JyotirmoyBasu	1974-75	CPI(M)
55.	Shri H. N. Mukherjee	1975-76	CPI
56.	Shri H. N. Mukherjee	1976-77	CPI

57.	Shri C. M. Stephen	1977-78	Cong(I)
58.	Shri P. V. Narasimha Rao	1978-79	Cong(I)
59.	Shri T. A. Pai Shri R Venkataraman	1979-80 (upto 30.7.79)1979-80 (w.e.f. 2.8.79)	Cong(I) Cong(I)
60.	Shri Chandrajit Yadav	1980-81	Lok Dal
61.	Shri Satish Agarwal	1981-82	BJP
62.	Shri Satish Agarwal	1982-83	BJP
63.	Shri Sunil Maitra	1983-84	Cong(I)
64.	Shri Sunil Maitra	1984	Cong(I)
65.	Shri E. Ayyapu Reddy	1985-86	TDP
66.	Shri E. Ayyapu Reddy	1986-87	TDP
67.	Shri AmalDatta	1987-88	CPI(M)
68.	Shri AmalDatta	1988-89	CPI(M)
69.	Shri P. Kolandaivelu	1989 (upto 27.11.89)	AIADMK
70.	Shri Sontosh Mohan Dev	1990-91	Cong(I)
71.	Shri Atal Bihari Vajpayee	1991-92	BJP
72.	Shri Atal Bihari Vajpayee	1992-93	BJP
73.	Shri Bhagwan Shankar Rawat	1993-94	BJP
74.	Shri Bhagwan Shankar Rawat	1994-95	BJP
75.	Shri Ram Naik	1995-96	BJP
76.	DrMurli Manohar Joshi	1996-97	BJP
77.	DrMurli Manohar Joshi	1997-98	BJP
78.	Shri Manoranjan Bhakta	1998-99	INC
79.	Shri Narayan Datt Tiwari	1999-2000	INC
80.	Shri Narayan Datt Tiwari	2000-2001	INC
81.	Shri Narayan Datt Tiwari Shri N. Janardhana Reddy	2001-2002 (upto 1.3.2002) (w.e.f. 15.3.2002 to 30.4.2002)	INC INC
82.	Sardar Buta Singh	2002-2003	INC
83.	Sardar Buta Singh	2003-2004(upto 6.2.2004)	INC
84.	Prof. Vijay Kumar Malhotra	(2004-2005)	BJP

85.	Prof. Vijay Kumar Malhotra	(2005-2006)	BJP
86.	Prof. Vijay Kumar Malhotra	(2006-2007)	BJP
87.	Prof. Vijay Kumar Malhotra	(2007-2008)	BJP
88.	Prof. Vijay Kumar Malhotra Shri Santosh Gangwar	(2008-2009) (upto 18.12.2008) (w.e.f. 23.12.2008 to 30.04.2009)	BJP
89.	Shri Jaswant Singh Shri GopinathMunde	(2009-2010) (w.e.f. 07.08.2009 to 31.12.2009) (w.e.f. 6.01.2010 to 30.04.2010)	BJP
90.	Dr. Murli Manohar Joshi	(2010-11)	BJP
91.	Dr. Murli Manohar Joshi	(2011-12)	BJP
92.	Dr. Murli Manohar Joshi	(2012-13)	BJP
93.	Dr. Murli Manohar Joshi	(2013-14)	BJP
94.	Prof. K.V. Thomas	(2014-15)	INC
95.	Prof. K.V. Thomas	(2015-16)	INC
96.	Prof. K.V. Thomas	(2016-17)	INC
97.	Shri Mallikarjun Kharge	(2017-18)	INC
98.	Shri Mallikarjun Kharge	(2018-19)	INC
99.	Shri Adhir Ranjan Chowdhury	(2019-20)	INC
100.	Shri Adhir Ranjan Chowdhury	(2020-21)	INC
101.	Shri Adhir Ranjan Chowdhury	(2021-22)	INC
102.	Shri Adhir Ranjan Chowdhury	(2022-23)	INC
103.	Shri Adhir Ranjan Chowdhury	(2023-24)	INC
104.	Shri K. C. Venugopal	(2024-25)	INC
105.	Shri K. C. Venugopal	(2025-26)	INC

Note:Till 1966-67 Chairmen, PAC were appointed from members of the ruling Party.

Reports presented by the Committee since January 1950

Since the Committee became a Parliamentary Committee under the control of the Speaker from January, 1950, it has presented **1804 Reports till 30th April, 2025**. The details of the Reports presented Lok Sabha wise are as follows:

Lok Sabha	Tenure	Reports Presented
1st Lok Sabha	1952-57	025
2nd Lok Sabha	1957-62	043
3rd Lok Sabha	1962-67	072
4th Lok Sabha	1967-70	125
5th Lok Sabha	1971-77	239
6th Lok Sabha	1977-79	149
7th Lok Sabha	1980-84	231
8th Lok Sabha	1984-89	187
9th Lok Sabha	1989-91	022
10th Lok Sabha	1991-96	119
11th Lok Sabha	1996-97	024
12th Lok Sabha	1998-99	011
13th Lok Sabha	1999-04	063
14th Lok Sabha	2004-09	084
15th Lok Sabha	2009-14	100
16th Lok Sabha	2014-19	137
17th Lok Sabha	2019-24	152
18th Lok Sabha	**2024-Continuing**	**21**