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# Parliamentary Oversight Mechanism: Role of Public Accounts Committee in Financial Accountability

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The Public Accounts Committee (PAC) remains a crucial institution for ensuring financial accountability and transparency in governance. It has recently been highlighted in the context of its scrutiny over government expenditure and audit findings.?

Core Idea: Ensuring Accountability of Public Funds

**The PAC is a financial parliamentary committee responsible for examining whether:**

Funds allocated by Parliament have been used for intended purposes

Government expenditure adheres to legal and financial norms

Public money is spent with efficiency and economy

It primarily scrutinises reports submitted by the Comptroller and Auditor General of India (CAG).

**Historical Evolution:**

Established in 1921 under the Government of India Act, 1919

Continued post-independence as a key parliamentary financial watchdog

Considered the oldest parliamentary committee in India

**Composition and Structure:**

Total Members ? 22

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15 from Lok Sabha

7 from Rajya Sabha

Members elected annually through proportional representation

Ministers are not allowed to be members

### **Chairperson:**

Appointed by the Speaker of Lok Sabha

By convention (since 1967), from the Opposition party

### **Major Functions of the Committee**

Examine Appropriation Accounts and Finance Accounts of the Union Government

Scrutinise CAG audit reports on expenditure and revenue

### **Verify whether:**

Money was spent within the scope of parliamentary approval

Expenditure followed legal and procedural rules

Investigate financial irregularities, inefficiencies, and wastage

Submit reports with recommendations to Parliament

### **Significance in Governance**

Acts as a watchdog over executive spending

Strengthens Parliamentary control over public finance

Enhances transparency and accountability

### **Helps in identifying:**

Corruption

Policy implementation gaps

Administrative inefficiencies

Thus, it is often termed the “guardian of the public purse.”

### **Limitations of the PAC**

Functions are advisory in nature (not binding)

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Cannot question policy decisions, only implementation

Lacks enforcement powers

Dependent on CAG reports for scrutiny

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