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# THE ESTIMATES COMMITTEE: A CRITICAL MECHANISM FOR FISCAL OVERSIGHT

## WHY IN THE NEWS?

Lok Sabha Speaker Om Birla has reconstituted two key parliamentary committees for the year 2025–26. BJP MP Sanjay Jaiswal has been appointed as the Chairperson of the Committee on Estimates, which consists of 30 members from the Lok Sabha. The committee includes members from various political parties such as BJP, Congress, Samajwadi Party, Trinamool Congress, DMK, and Shiv Sena (UBT). The tenure of this committee will last until 30th April 2026. In another major appointment, BJP MP Baijayant Panda has been named the Chairperson of the Committee on Public Undertakings. This 22-member committee comprises 15 members from the Lok Sabha and 7 from the Rajya Sabha. These committees play a crucial role in ensuring parliamentary oversight on government spending and the performance of public sector undertakings.

## WHAT ARE DEPARTMENT-RELATED STANDING COMMITTEES?

Department-related Standing Committees (DRSCs) are permanent committees of the Indian Parliament established to strengthen legislative oversight over the functioning of ministries and departments of the Government of India. Introduced in 1993, these committees play a key role in scrutinizing government policies, budgets, and proposed legislation.

## **Key Features of DRSCs:**

**1. Structure:** There are currently 24 DRSCs, each consisting of 31 members – 21 from the Lok Sabha and 10 from the Rajya Sabha.

**2. Tenure:** The members are nominated every year for a period of one year.

**3.** Jurisdiction: Each committee is aligned to specific ministries or departments (e.g., Finance, Defence, Education, Health, etc.).

## 4. Functions:

Examine the Demand for Grants of the related ministries.

Scrutinise bills referred to them by the Speaker/Chairman.

Consider annual reports of ministries.

Review long-term policies and performance of government schemes

# DEPARTMENT-RELATED STANDING COMMITTEES (DRSCS) AND COMPOSITIONS



## **FUNCTIONS OF DRSCS**



## WHAT IS THE ESTIMATE COMMITTEE?

The Committee on Estimates, constituted for the first time in 1950, is a Parliamentary Committee consisting of 30 members, elected every year by the Lok Sabha from amongst its Members. The Chairperson of the Committee is appointed by the Speaker from amongst its members. A Minister cannot be elected as a member of the Committee, and if a member after selection to the Committee, is appointed a Minister, the member ceases to be a Member of the Committee from the date of such appointment.

Aspect	Details	
Formation	– Constituted annually by the Speaker of the Lok Sabha.	
	– Formed according to Rule 310 of the Rules of Procedure of Lok Sabha.	
	– No member of the Council of Ministers can be appointed.	
Composition	– 30 members from the Lok Sabha.	

Acnost	Details
Aspect	Details
	<ul> <li>Members are nominated by the Speaker of the Lok Sabha based on their expertise and experience.</li> </ul>
	– Members are appointed for a term of 1 year.
	<ul> <li>No government members are allowed on the committee.</li> </ul>
Chairperson	<ul> <li>Elected by the Speaker from among the members of the committee.</li> </ul>
	– The current Chairperson is BJP MP Sanjay Jaiswal for 2025-26.
Party Representation	<ul> <li>Balanced representation from all parties based on the composition of the Lok Sabha.</li> </ul>
Reconstitution	– The committee is reconstituted annually with members serving a one-year term.

MAJOR FUNCTIONS OF THE ESTIMATE COMMITTEE

**1. Examine Budget Estimates:** Scrutinises the detailed estimates of expenditure presented by various ministries and departments after the budget is passed by Parliament.

**2. Suggest Economies in Public Expenditure:** Recommends ways to bring about economies and reduce wastage in government spending without compromising policy objectives.

**3. Improve Efficiency and Organisation:** Proposes improvements in organisation, efficiency, and administrative reforms consistent with the policies underlying the estimates.

**4.** Suggest Alternative Policies: Recommends alternative policies or methods to enhance efficiency and economy in government administration.

**5. Check Proper Utilisation of Funds:** Examines whether the allocated money is well laid out within the limits of the policy implied in the estimates.

**6. Recommend Presentation Format:** Suggests the form and manner in which budget estimates should be presented to Parliament for better clarity and understanding.

**7. Select Ministries for Examination:** Chooses specific ministries or departments each year for detailed scrutiny rather than examining all at once.

**8. Promote Financial Accountability:** Enhances transparency and accountability in government expenditure by reporting findings and recommendations to the Lok Sabha.

## ESTIMATE COMMITTEE ANALYSIS OF FUNCTIONING

**1. Examines Budget Estimates:** Reviews budget estimates of selected ministries post-approval to ensure funds align with policy and are used efficiently.

**2. Suggests Economies and Reforms:** Recommends cost-saving measures, organisational improvements, and administrative reforms to enhance efficiency.

**3.** Advisory Role: Provides non-binding recommendations that guide government and Parliament on expenditure management.

**4. Selective Scrutiny:** Examines only a few ministries each year for detailed analysis due to the vast scope of government spending.

**5. Promotes Transparency and Accountability:** Enhances financial oversight and accountability in public expenditure through detailed reports.

**6. Faces Operational Challenges:** Limited time, varying member expertise, political influences, and bureaucratic resistance can affect effectiveness.

**7. Improves Budget Discussions:** Supports informed parliamentary debates by providing detailed scrutiny of Demands for Grants.

**8.** Scope for Strengthening: Can improve through pre-budget reviews, better member training, more time, and closer executive coordination.

Aspect	Limitations of the Estimates Committee (EC)	Limitations of Department-related Standing Committees (DRSCs)
Time Constraints	Limited time to thoroughly scrutinise complex and voluminous budget estimates, leading to incomplete analysis.	One-year tenure limits specialisation; meetings often insufficient to cover all assigned ministries in detail.
Expertise of Members	Members may lack adequate financial or technical expertise, affecting the depth and quality of scrutiny and recommendations.	Members may have limited domain knowledge; the absence of dedicated research support reduces effectiveness.
Political Influence	Political pressures and partisanship can affect objectivity, consensus-building, and focus on fiscal prudence.	Party whips sometimes influence committee decisions; political considerations may override objective scrutiny.
Non-binding Recommendations	Recommendations are advisory and not binding on the government, leading to possible disregard by ministries.	Reports are not mandatory for government action; ministries may ignore or delay implementation of committee suggestions.
Bureaucratic Resistance	Ministries may withhold information or resist committee scrutiny to protect their interests, limiting transparency.	Ministries are sometimes reluctant to cooperate fully or provide timely information, hampering effective oversight.
Limited Scope	Cannot examine budget estimates before Parliament votes; restricted to post-vote scrutiny, reducing preventive impact.	Not all bills or issues are referred to DRSCs (e.g., some important bills bypass committees), limiting comprehensive examination.
Transparency Issues	Some committee workings and minutes remain unpublished, reducing public accountability.	Meetings are often held behind closed doors, with limited public access and transparency in deliberations and reports.
Attendance and Engagement	Members' attendance and active participation can be weak, affecting committee functioning and the quality of	Low attendance and engagement of MPs at meetings reduce the effectiveness and continuity of committee work.

## ESTIMATE COMMITTEE LIMITATIONS AND OVERALL DRSC LIMITATIONS

Aspect	Limitations of the Estimates Committee (EC)	Limitations of Department-related Standing Committees (DRSCs)
	reports.	

#### **RECOMMENDATIONS TO IMPROVE THE EFFECTIVENESS OF DRSC AND EC**

**1. Enable Pre-Budget Scrutiny:** Allow the Estimates Committee to examine budget proposals before Parliament votes, enabling proactive recommendations to improve expenditure planning rather than only post-vote reviews.

**2. Expand Membership and Expertise:** Include Rajya Sabha members in the Estimates Committee to widen representation. Provide specialized training and capacity building for members of both DRSCs and EC to deepen understanding of technical and financial matters.

**3.** Increase Time and Resources: Allocate more time and dedicated research support, including access to expert advisors and data analytics, to enable detailed examination of ministries and complex budgets.

**4. Strengthen Follow-Up Mechanisms:** Implement systematic monitoring and public disclosure of government actions on committee recommendations through periodic Action Taken Reports, ensuring accountability.

**5.** Improve Coordination Between Committees: Enhance coordination between DRSCs and the Estimates Committee to avoid duplication, cover all aspects of budget and policy scrutiny comprehensively, and share information effectively.

**6. Enhance Transparency and Public Engagement:** Publish committee reports promptly in accessible formats (including translations and summaries) and engage civil society and experts in consultations to increase public awareness and trust.

**7. Broaden Scope to Include Policy Evaluation:** Encourage committees to provide inputs on policy implications related to expenditure, not just financial scrutiny, for holistic oversight of government functioning.

**8. Reduce Political Interference:** Minimise party whip influence during committee deliberations to promote objective, evidence-based scrutiny and build consensus across party lines.

## CONCLUSION

The reconstitution of key parliamentary committees, such as the Estimates Committee and the Committee on Public Undertakings, marks a significant step in enhancing the parliamentary oversight mechanisms in India. These committees play a crucial role in scrutinising the government's expenditure, ensuring transparency, and improving the efficiency of public sector undertakings. The Department-related Standing Committees (DRSCs), introduced in 1993, serve as an essential tool for legislative scrutiny, working closely with ministries to ensure accountability and effectiveness in government operations. While both the Estimate Committee and DRSCs contribute to improving the quality of governance through rigorous examination of financial allocations, policies, and ministries, they face operational limitations. These include constraints on time, expertise, political influence, and resistance from the executive. However, recommendations to enhance their effectiveness, such as enabling pre-budget scrutiny, increasing member expertise, improving time allocation, and strengthening follow-up mechanisms—can address these challenges and improve the overall functioning of these committees.

#### **PRELIMS QUESTIONS**

Q.With reference to the Committee on Estimates and Department-related Standing Committees (DRSCs), consider the following statements:

1. The Committee on Estimates consists of 30 members, all from the Lok Sabha.

2. The Department-related Standing Committees (DRSCs) were introduced in 1993, and each committee has 21 members from the Lok Sabha and 10 members from the Rajya Sabha

3. The primary function of the Committee on Public Undertakings is to examine the annual financial expenditure of the central government.

## How many of the above-given statements are correct?

- A. Only one
- B. Only two
- C. All three
- D. None
- Answer: B

## MAINS QUESTIONS

Q. Discuss the role and significance of the Department-related Standing Committees (DRSCs) and the Committee on Estimates in ensuring effective parliamentary oversight over government spending and public sector undertakings.

