

STANDING COMMITTEE ON FINANCE

With a view to ensure specialized and Ministry/Department specific scrutiny and oversight of the Executive by the Legislature, the Parliament of India introduced the system of Department Related Standing Committees (DRSCs) in 1993. Initially, consisting of 17 Committees, the DRSCs System was expanded to 24 Committees after reorganization in 2004.

The Standing Committee on Finance examines matters concerned with the following Ministries/Departments:-

- (i) Finance – Departments of
 - (a) Economic Affairs,
 - (b) Financial Services
 - (c) Expenditure,
 - (d) Revenue, and
 - (e) Disinvestment,
- (ii) Corporate Affairs,
- (iii) Planning (Planning Commission), and
- (iv) Statistics and Programme Implementation

Composition of the Committee

The Committee, constituted under Rule 331C of the Rules of Procedure and Conduct of Business in Lok Sabha, consists of 31 members; 21 members from Lok Sabha, nominated by the Speaker, Lok Sabha and 10 from Rajya Sabha nominated by the Chairman, Rajya Sabha. The Chairman of the Committee is appointed by the Speaker from amongst the members of the Committee from Lok Sabha. The term of office of the members of the Committee does not exceed one year.

Functions of the Committee

The Committee has been entrusted with the following functions:

(a) to consider the Demands for Grants of the concerned Ministries/Departments and make Reports on the same to the Houses;

(b) to examine such Bills pertaining to the concerned Ministries/Departments as are referred to the Committee by the Speaker, Lok Sabha or the Chairman, Rajya Sabha as the case may be, and make Reports thereon;

(c) to consider Annual Reports of the concerned Ministries/Departments and make Reports thereon; and

(d) to consider national basic long term policy documents presented to the houses, if referred to the Committee by the Speaker, Lok Sabha or the Chairman, Rajya Sabha as the case may be, and make Reports thereon.

Working of the Committee

Procedure relating to consideration of Demands for Grants

After the general discussion on the Budget in the House is over, the Lok Sabha is adjourned for a fixed period. The Committee considers the Demands for Grants (DFGs) of the Ministries/Departments under its jurisdiction during the aforesaid period and present/lay Reports. There is a separate Report on the Demands for Grants of each Ministry/Department. The Report on Demands for Grants does not suggest anything of the nature of cut motions. The Demands for Grants are considered by the House in the light of the Reports of the Committee.

Procedure relating to consideration of Bills

The Committee considers only such Bills introduced in either of the Houses as are referred to it by the Speaker, Lok Sabha or the Chairman, Rajya Sabha as the case may be. The Committee considers the general principles and clauses of the Bills referred to it and makes Reports thereon within the given time.

Procedure relating to examination of Annual Reports

The Committee also selects other subjects for examination on the basis of Annual Reports of the Ministries/Departments under its jurisdiction.

Procedure relating to examination of National Long-Term Policy Documents

The Committee considers national long-term policy documents presented to the Parliament and referred to it by the Speaker, Lok Sabha or Chairman, Rajya Sabha and make Reports on such documents.

Appointment of Sub-Committees/Study Groups

The Committee may appoint Sub-Committees/Study Groups from amongst the members of the Committee with a view to making detailed study/examination of the subjects selected by it as also for scrutinizing the action taken by the Government on the Observations/Recommendations contained in the original Reports and for considering procedural and general matters. The Chairman/Convenor/Alternate Convenor of the Sub-Committee/Study Group shall be appointed by the Chairman of the Committee from amongst the members of the Sub-Committee/Study Group.

On-the-spot Visits/Study Tours

In order to have a first hand experience of the implementation of various Schemes concerning the subjects under examination, the Committee or its Sub Committee(s)/Study Group(s) may with prior permission of the Speaker, undertake, if necessary, on the spot visits to various institutions and establishments falling under the administrative control of the Ministries/Departments under the purview of the Committee.

Reports and Minutes

The Observations/Recommendations of the Committee on subjects examined are contained in their Reports which after adoption by the Committee and factual verification by the Ministries/Departments concerned, are presented to Lok Sabha/laid on the Table of Rajya Sabha by the Chairman and the authorized Members. The Minutes of the sittings of the Committee are also presented to the House along with the Reports.

Action Taken Reports

The Recommendations of the Committee have persuasive value and are treated as considered advice given by the Committee. The Demands for Grants and the Bills, which are reported upon by the Committee are considered by the Houses in the light of the recommendations of the Committee. In respect of Reports on Demands for Grants, national basic long term policy documents and other subjects, the Ministries/Departments concerned are required to take action on the recommendations contained in the Report and furnish action taken replies thereon, within three months. Action taken notes received from the Ministries/Departments are examined by the Committee and Action Taken Reports thereon are presented to Lok Sabha/laid on the Table of Rajya Sabha.

Proceedings, Draft Reports and Minutes of the Committee are treated as 'Confidential' until the concerned Reports are presented to Parliament.

Statement made by the Minister under direction 73A of the Directions by the Speaker, Lok Sabha

In terms of direction 73A, the Minister concerned makes a statement once in six months in the House regarding the status of implementation of the recommendations contained in the reports of the DRSCs with regard to her/his Ministry. This is aimed at ensuring that the recommendations of the Standing Committee are taken note of at the highest level by the Government for follow up action.

Reports Presented by the Committee

So far the Committee on Finance has presented **268** Reports to the Parliament.

The Lok Sabha-wise break up is as under:

Lok Sabha	Tenure	Reports Presented				
		DFG	Subjects	Bills	ATRs	Total
Tenth Lok Sabha	1993-1996	7	3	8	5	23
Eleventh Lok Sabha	1996-1998	4	-	-	1	05
Twelfth Lok Sabha	1998-1999	6		7	8	21
Thirteenth Lok Sabha	1999-2004	20	1	10	24	55
Fourteenth Lok Sabha	2004-2009	25	3	23	29	80
Fifteenth Lok Sabha	2009-2014	25	6	24	29	84
Total		87	13	72	96	268

Sittings of the Committee held during 15th Lok Sabha

During the 15th Lok Sabha, the Standing Committee on Finance held 112 Sittings. The Committee-wise break-up is as under:

Committee	Date of first sitting	Date of last sitting	No. of Sittings	Time H M	Average Attendance
2009-2010@	14.09.2009	26.08.2010	24	82.00	15
2010-2011@	22.09.2010	29.08.2011	24	76.40	15
2011-2012@	26.09.2011	28.08.2012	30	86.05	15
2012-2013@	12.10.2012	02.08.2013	22	66.40	16
2013-2014@@	20.09.2013	11.02.2014	12	28.05	15

@ 31st August to 30th August

@@ 31st August, 2013 to 18th May, 2014 [Date of dissolution of 15th Lok Sabha]

Total No. of Sittings : **112**
Duration of Sittings : **339 hrs. 30 minutes**
Average Attendance : **15 Members per sitting**

Reports presented by the Committee during Fifteenth Lok Sabha

During the Fifteenth Lok Sabha, the Standing Committee on Finance presented 84 Reports. The term-wise break-up is as under:

Committee	Report(s) on					
	Subject	ATR on Subject	DFG	ATR on DFG	BILLS	Total
2009-2010	1	1	10	5	8	25
2010-2011	2	--	5	5	3	15
2011-2012	1	--	5	5	8	19
2012-2013	1	1	5	5	3	15
2013-2014	1	2	--	5	2	10
Total	6	4	25	25	24	84

Reports presented by the Committee during Sixteenth Lok Sabha

During the Sixteenth Lok Sabha, the Committee on Finance presented 09 Reports as detailed hereunder:

Committee	Report(s) on					
	Subject	ATR on Subject	DFG	ATR on DFG	BILLS	Total
2014-2015	-	4	5	-	-	9