

UPSC Civil Services Examination

Political Science & International Relations

Topic: Estimates Committee – Indian Polity Notes

What is an Estimates Committee?

It is a type of financial committee in the constitution of India. It is a permanent standing committee. The purpose of this committee is to examine the estimates included in the budget presented in the parliament. It also suggests economies in public expenditure. For the same, it is also called 'Continuous Economy Committee.'

The table briefly mentions everything about Estimates committee, details of which will be given after it.

Estimates Committee	
Year of Establishment	1921 (Post-Independence: 1950, on the recommendations of Finance Minister John Mathai)
Members	30
Election of Members	By Lok Sabha with proportional representation by means of a single transferable vote Note: A minister cannot be elected
Term of Office	One Year
Chairman	Speaker appoints him/her from amongst the members Note: Invariably from the Ruling Party
Function	To examine the estimates included in the budget presented in the parliament and suggests economies in public expenditure

Who are the members of Estimates Committee?

Estimates Committee has 30 members. All the members are taken from Lok Sabha (Lower House). That means that there is no representation from Rajya Sabha (Upper House.) Initially, the committee had 25 members, which was later increased to 30.

Mode of the election of Estimates Committee's members:

Lok Sabha elects members of Estimates Committee from amongst its members. The principle of election used is Proportional Representation by the means of a single transferable vote. All parties are duly represented in the estimates committee.

Term of the office of members of the Estimates Committee:

Every member elected by the Lok Sabha from amongst its members are a part of the committee for a year. After a year, a new election takes place and members are changed or re-elected.

Note: A minister cannot be elected as the member of the Estimates Committee

Chairman of the Estimates Committee:

Lok Sabha speaker is the authority to appoint the chairman of the Estimates Committee. The Chairman of the Estimates Committee is appointed invariably from the ruling party. So every chairman appointed in the committee will be a member of the ruling party of the nation.

What are the functions of Estimates Committee?

This standing committee performs various functions. They are given below:

Functions of Estimates Committee	
S.No	Type of Functions
1	It reports if the budget estimates affect economies, improvements in organisation, efficiency and administrative reform consistent with the policy
2	To bring efficiency and economy in governmental administration, it suggests alternative policies
3	It examines whether the money is well laid out within the limits of the policy implied in the estimates
4	To suggest the forth in which the estimates are to be presented to Parliament

Note: The Estimates Committee is not required to take over the jurisdiction of Committee on Public Undertakings. It reports to Lok Sabha time-to-time, its examination of the estimates. The committee cannot on its own examine the estimates of the budget of any year it chooses on its own. The demand for grants can proceed without the report of the Estimates Committee.

Limitations of Estimates Committee

In the Indian Constitution, there are a few limitations put forth for the Estimates Committee. Those limitations are given below:

- The power to examine the budget estimates is not an absolute one. The committee can only examine the budget after it's voted upon and not before that.
- Nowhere the power to question the policies of the Parliament has been conferred upon the committee.
- All the recommendations made by the committee are advisory in nature and stand non-binding for the parliament.
- In a year, the committee does not examine the budgets of all the ministries/departments. It chooses a few departments whose budget it wants to examine. Therefore, budget estimates of all the ministries/departments are examined over a period of years and not in one year.