



PUBLIC ACCOUNT COMMITTEE : POLITY

NEWS : *Public Accounts Committee to hold 'performance review' of regulatory bodies*

WHAT'S IN THE NEWS ?

PAC has picked 160 subjects for deliberations during its tenure, which includes review of regulatory bodies like the SEBI and TRAI

Details	Description
Composition	Consists of 22 members (15 from the Lok Sabha and 7 from the Rajya Sabha)
Election	The members are elected by the parliament every year from amongst its members according to the principle of proportional representation by means of single transferable vote. A minister cannot be elected as a member of the committee. If a Member is appointed as a Minister after being elected to the Committee, she or he ceases to be a Member of the Committee as of the date of such appointment.
Tenure	one year
Appointment	The chairman of the committee is appointed by the speaker from amongst the members. From 1967, a convention has developed that the chairman of the committee is selected invariably from the Opposition.
Relation with CAG	The Comptroller and Auditor General (CAG) is the "friend, philosopher and guide" of the Committee. The CAG attends the sittings of the Committee and assists it in its deliberations

Performance Review of Regulatory Bodies:

- The PAC has decided to conduct a **performance review of regulatory bodies** that have been **established by Acts of Parliament**. These include key institutions like the **Securities and Exchange Board of India (SEBI)**, which plays a crucial role in overseeing and regulating financial markets in India.

Political Context:

- This decision comes in the backdrop of a **political controversy** involving **SEBI Chairperson Madhabi Puri Buch**, who has been accused of having a **conflict of interest** in certain regulatory matters. The review by the PAC is seen as a significant move in ensuring transparency and accountability of such regulatory bodies.

PAC's Suo Motu Investigations:

- The PAC has selected **five subjects for investigation** on its own initiative (suo motu). One of the key areas of focus is the "**performance review of regulatory bodies**" like SEBI,



which have been established by parliamentary law to safeguard public and economic interests.

Additional Subject for Review:

- Another major subject of review includes the “**levy and regulation of fees, tariffs, and user charges**” related to public infrastructure and other public utilities. This involves examining how fees are set for services like transportation, energy, and telecommunications, ensuring that they are fair, transparent, and in line with public welfare.

Purpose of the Review:

- The goal of these reviews is to evaluate the **effectiveness** and **efficiency** of regulatory bodies and their functioning, including how well they are fulfilling their mandates as outlined in the Acts of Parliament that established them.
 - It also aims to **enhance accountability** and ensure that the public sector and infrastructure services operate in the best interest of citizens.

This detailed review will have implications for the **transparency** and **functioning** of regulatory authorities, particularly in the context of governance, financial market regulation, and public infrastructure management.

Source : <https://www.thehindu.com/news/national/public-accounts-committee-to-hold-performance-review-of-regulatory-bodies/article68610223.ece>