India

Open Budget Index 2006

<table>
<thead>
<tr>
<th>0%</th>
<th>52%</th>
<th>100%</th>
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<tr>
<td>Scant or None</td>
<td>Minimal</td>
<td>Some</td>
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<tr>
<td>Substantial</td>
<td>Extensive</td>
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Open Budget Index Highlights

India scores 52 percent out of a possible 100 percent on the Open Budget Index 2006. The Index evaluates the quantity of information provided to citizens in the seven key budget documents that all governments should make public during the course of the budget year. India’s performance indicates that the government provides citizens with some information on the central government’s budget and financial activities, but that there is much room for improvement.

The executive’s budget proposal is one of the most important documents released during the budget year. India’s proposal provides some information to the public, scoring 55 percent out of a possible 100 percent of the information needed to present the public with a comprehensive picture of the government’s financial activity. This suggests that there is substantial room for improvement.

Governments should report to citizens regularly during the budget year on their spending, revenue collection and borrowing with in-year reports. India provides extensive information in its in-year reports, but it would greatly strengthen public accountability by publishing a more comprehensive mid-year review. This document provides the public with updates on what can be expected for the second half of the budget year. Year-end reports by the executive are not released in a timely manner, but contain the details needed to facilitate comparisons between enacted levels and actual outcomes. While India does make its audit report public, it provides very limited information on whether the audit report’s recommendations are successfully implemented.

Citizens require both access to information, and opportunities during the consideration of the budget to use that information, to ensure their informed participation in budget debates. India’s score on the Open Budget Index suggests that the public’s access to information could be improved. The researchers also found that opportunities for citizen participation could be increased. For example, the legislature does not hold public hearings on the budget in which the public can participate.

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The International Budget Project was established as part of the Center on Budget and Policy Priorities, a Washington, DC-based non-partisan non-profit research organization, in 1997 to support civil society organizations around the world interested in strengthening public budget processes, institutions and outcomes. For more information on the IBP and the Open Budget Initiative 2006, please visit www.openbudgetindex.org