

International Budget Partnership
OPEN BUDGET QUESTIONNAIRE
India, September 2009

International Budget Partnership
Center on Budget and Policy Priorities
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Section One: The Availability of Budget Documents

Table 1. Budget Year of Documents Used in Completing the Questionnaire

Budget Documents Used in Completing the Questionnaire	
	Budget Year Used
Pre-Budget Statement	Not Available
Budget Summary	2009-10
Executive's Budget Proposal	2009-10
Supporting Budget Documents	2009-10
Citizens Budget	2009-10
Enacted Budget	2009-10
In-Year Reports	2009-10 2008-09
Mid-Year Report	2008-09
Year-End Report	2008-09
Audit Report	2007-08

Table 2. Key Budget Documents Used: Full Titles and Internet Links

Budget Document	Full Title, Date, and Internet Link
Pre-Budget Statement	Not Produced
Budget Summary	Budget at a Glance, 6th July 2009, http://www.indiabudget.nic.in/ub2009-10/glance.htm Budget Speech, 6th July 2009, http://www.indiabudget.nic.in/ub2009-10/bs/speecha.htm
Executive's Budget Proposal	Annual Financial Statement, 6th July 2009 http://www.indiabudget.nic.in/ub2009-10/afs.htm Finance Bill, 6th July 2009 http://www.indiabudget.nic.in/ub2009-10/bill.htm
Budget Document One in Support of the Executive's Budget Proposal	Expenditure Budget, 6th July 2009, http://www.indiabudget.nic.in/ub2009-10/ebmain.htm (Expenditure Budget Vol. I & II)
Budget Document Two in Support of the Executive's Budget Proposal	Receipt Budget, 6th July 2009 http://www.indiabudget.nic.in/ub2009-10/rec.htm

<p>Budget Document Three in Support of the Executive's Budget Proposal</p>	<p>Demand for Grants of Central Government, 6th July 2009 http://www.indiabudget.nic.in/ub2009-10/eb/dg.htm</p> <p>The Macro Economic Framework Statement, 6th July 2009 http://www.indiabudget.nic.in/ub2009-10/frbm/frbm1.pdf</p> <p>The medium Term Fiscal Policy Statement, 6th July 2009 http://www.indiabudget.nic.in/ub2009-10/frbm/frbm2.pdf</p> <p>The Fiscal Policy Strategy Statement, 6th July 2009, http://www.indiabudget.nic.in/ub2009-10/frbm/frbm3.pdf</p> <p>Statement of Revenue Foregone, 6th July 2009 http://www.indiabudget.nic.in/ub2009-10/statrevfor/annex12.pdf</p> <p>Memorandum, 6th July 2009 http://www.indiabudget.nic.in/ub2009-10/memo.htm</p> <p>Implementation of Budget Announcements 16th February 2009 http://indiabudget.nic.in/ub2009-10%28I%29/impbud.htm</p> <p>Economic Survey 2008-09, 2nd July 2009 http://www.indiabudget.nic.in/es2008-09/esmain.htm</p> <p>Outcome Budget 2009-10, Ministry of Rural Development http://www.rural.nic.in/budget/outcome_budget_rd_09-10.pdf</p> <p>Budget Circular 2009-10, 19th September 2008 http://finmin.nic.in/the_ministry/dept_eco_affairs/budget/budgetcircular2009-10.pdf</p> <p>Detailed Demand for Grants, 2009-10; Ministry of Finance, 15th July 2009 http://www.finmin.nic.in/reports/detail_dg.html</p>
<p>Citizens Budget</p>	<p>Key to Budget, 6th July 2009 http://www.indiabudget.nic.in/ub2009-10/keybud/keybud2009.htm</p> <p>Budget Highlights (Key Features), 6th July 2009 http://www.indiabudget.nic.in/ub2009-10/bh/bh1.pdf</p>
<p>Enacted Budget</p>	<p>The Finance Bill was introduced on 6th July 2009.</p> <p>The Finance Bill 2009 Passed in Lok Sabha on 27th and in Rajya Sabha on 29th July, 2009. http://164.100.24.219/BillsTexts/LSBillTexts/PassedBothHouses/Fin%20No.2%20%2833-F%29.pdf</p> <p>Appropriation Bill 2009; Passed in Lok Sabha and Raya Sabha on 23rd and 27th July respectively. http://164.100.24.219/BillsTexts/LSBillTexts/PassedBothHouses/Apr%20no.3%2057-F.pdf</p>

In-Year Reports	<p>Government of India, Union Government Accounts At a glance, As at the End of July 2009 http://cga.nic.in/html/data0907.Htm</p> <p>Monthly Economic Activity Report, Ministry of Finance, March 2009 http://finmin.nic.in/reports/index.html</p> <p>Quarterly Report on Central Government's Borrowing, and Quarterly Report on External Borrowings, Ministry of Finance, March 2009 http://finmin.nic.in/reports/index.html</p>
Mid-Year Review	<p>Ministry of Finance Mid Year Review 2008-2009, December 2008 http://www.finmin.nic.in/reports/mid_year_rev.html http://finmin.nic.in/reports/MYREnglish0809.pdf</p> <p>RBI, Macroeconomic and Monetary Developments in 2008-09, 20th April 2009 http://www.rbi.org.in/scripts/publications.aspx?publication=HalfYearly</p>
Year-End Report	<p>Union Government Appropriation Accounts (Civil) 2007-08 http://cga.nic.in/appn_accounts/appn_accounts0708/appn_accounts0708.htm</p> <p>Union Government Finance Accounts (2007-08) http://www.cga.nic.in/f_accounts/f_accounts0708/finance_accounts0708.htm</p>
Audit Report	<p>Compliance Audit - Report 2007-08 (May 2009) http://www.cag.gov.in/html/reports/2009.htm</p> <p>Performance Audit - Report 2007-08 (July 2009) http://www.cag.gov.in/html/reports/PA2008.htm</p>
Other Documents	<p>Economic Survey 2008-09, 2nd July 2009 http://www.indiabudget.nic.in/es2008-09/esmain.htm</p>
Relevant Ministries & Departments	<p>Ministry of Finance: www.finmin.nic.in</p> <p>Other Ministries: www.goidirectory@nic.in</p>

Table 3. Distribution of Documents Related to the Executive’s Budget Proposal

DISTRIBUTION OF BUDGET DOCUMENTS						
	Pre-budget	Executive’s Budget Proposal				Citizens budget
		Main document	Budget summary*	Supporting Document 1	Supporting Document 2	
A. Not produced, even for internal purposes	Yes					
B. Produced for internal purposes, but not available to the public						
C. Produced and available to the public, but only on request						
D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)		Yes	Yes	Yes	Yes	Yes
<i>For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them?</i>						
	Pre-budget	Executive’s Budget Proposal				Citizens budget
		Main document	Budget summary*	Supporting Document 1	Supporting Document 2	
1. The release date is known at least one month in advance	NA	Yes	Yes	Yes	Yes	Yes
2. Advance notification of release is sent to users, media	NA	Yes	Yes	Yes	Yes	Yes
3. Released to public same day as official release to media	NA	Yes	Yes	Yes	Yes	Yes
4. Available on the Internet free of charge	NA	Yes	Yes	Yes	Yes	Yes
5. Free print copies available, limited distribution	NA	Yes	Yes	Yes	Yes	Yes
6. Free print copies available, mass distribution	NA	No	No	No	No	No
7. Readily available outside capital and/or big cities ⁺	NA	Yes	Yes	Yes	Yes	Yes
8. Written in more than one language	NA	Yes	Yes	Yes	Yes	Yes
9. News conference is held to discuss release	NA	No	Yes	No	No	No

*A budget summary should be a stand-alone document, which could include a budget speech or a separately published executive summary.

⁺Mark “Yes” if access by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

Table 4. Distribution of the Enacted Budget and Other Reports

DISTRIBUTION OF ENACTED BUDGET AND OTHER REPORTS					
	Enacted budget	In-year reports	Mid-year review	Year-end report	Audit report
A. Not produced, even for internal purposes					
B. Produced for internal purposes, but not available to the public					
C. Produced and available to the public, but only on request					
D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)	Yes	Yes	Yes	Yes	Yes
<i>For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them?</i>					
	Enacted budget	In-year reports	Mid-year review	Year-end report	Audit report
1. The release date is known at least one month in advance	Yes	Yes	Yes	Yes	No
2. Advance notification of release sent to users, media	Yes	No	No	No	No
3. Released to public same day as official release to media	No	Yes	Yes	Yes	No
4. Available on the Internet free of charge	Yes	Yes	Yes	Yes	Yes
5. Free print copies available, limited distribution	Yes	Yes	Yes	Yes	Yes
6. Free print copies available, mass distribution	No	No	No	No	No
7. Readily available outside capital/big cities ⁺	Yes	Yes	Yes	Yes	Yes
8. Written in more than one language	Yes	Yes	Yes	Yes	Yes
9. News conference is held to discuss release	No	No	No	No	Yes

⁺Mark "Yes" if access is available by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

Section Two: The Executive's Budget Proposal

Notes on abbreviations:

BY = budget year (year for which the budget proposals are being made)

BY+1 = one year beyond the budget year

BY-1 = one year before the budget year

Note 1: The Open Budget Survey research process was carried out over a 12-month period and the final version of the Open Budget Questionnaires reflect decisions made after multiple rounds of discussions between Survey researchers, peer reviewers, and the International Budget Partnership (IBP) (in several countries these decisions also considered comments received from governments). When peer reviewers or governments agreed with the answers provided by researchers, they often provided no comment. Thus for many questions, the section in the questionnaire that should contain peer reviewer comments is left blank. However, if the government did not provide any comments to a question (because it did not dispute the answer), the section within the questionnaire that is meant to reflect government comments specifies the answer that the government agreed with (by default).

Since the IBP continued its discussions with the researchers even after receiving peer reviewer and government comments, for some questions these discussions resulted in a mutual decision to change the answers, even if the peer reviewers and governments agreed with the original answer provided by the researcher. Such changes may have happened as a result of:

1. A more consistent application of the Survey methodology;
2. New information identified by the researcher or by IBP that had a bearing on the answer for a particular question; or
3. Decisions made to ensure cross-country comparability of answers.

For more information on these changes for any question please write to info@internationalbudget.org.

The Executive's Budget Proposal	
Estimates for the Budget Year and Beyond	
<p>1. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <ol style="list-style-type: none"> All expenditures are classified by administrative unit. Expenditures are classified by administrative unit, but some small units are not shown separately. Expenditures are classified by administrative unit, but a significant number of units are not shown separately. No expenditures classified by administrative unit are presented. Not applicable/other (please comment). <p><u>Citation:</u> Expenditure Budget 2009-10 (Vol. I & II) http://www.indiabudget.nic.in/ub2009-10/eb/vol1.htm http://www.indiabudget.nic.in/ub2009-10/eb/vol2.htm</p> <p><u>Comment:</u> Expenditure Budget Vol. I & II are very comprehensive documents. Even data for programs for ministries are available in these documents. For example, expenditure on different programmes run by the Ministry of Health & Family Welfare are available at: http://www.indiabudget.nic.in/ub2009-10/eb/sbe46.pdf See Page # 100 -105</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Citation: Expenditure Budget 2009-10, Vol. 1. Total Expenditures of Ministries / Departments, Statement 2, pages 4-8.</p>	a

<p>2. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by functional classification?</p> <ol style="list-style-type: none"> a. All expenditures are classified by functional classification, and the categorization is compatible with international standards. b. All expenditures are classified by functional classification, but the categorization is not compatible with international standards. c. Some, but not all, expenditures are classified by function. d. No expenditures classified by function are presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Annual Financial Statement 2009-10 http://www.indiabudget.nic.in/ub2009-10/afs/afs2.pdf http://www.indiabudget.nic.in/ub2009-10/afs/afs4.pdf</p> <p><u>Comment:</u> Aggregate expenditure based on functional classification for the Union Government are available in the Annual Financial Statement (cited above). Page # 4- 6 of the first citation and Page # 8- 11 of the second citation.</p> <p>Apart from this, since 1968 the government has presented functional classification of the budget with a one year lag, i.e, a year after the budget proposal. For example, a detailed report of the Budget 2008-09 is available in February 2009 at: http://finmin.nic.in/reports/FunClass200809.pdf</p> <p>The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.</p> <p><u>Peer Reviewer One Comment:</u> I agree with the overall assessment. Clarification: economic classification of expenditure has been presented since FY 1957-58 and an economic-cum-functional classification since FY 1967-68.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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<p>3. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by economic classification?</p> <ul style="list-style-type: none"> a. All expenditures are classified by economic classification, and the categorization is compatible with international standards. b. All expenditures are classified by economic classification, but the categorization is not compatible with international standards. c. Some, but not all, expenditures are classified by economic classification. d. No expenditures classified by economic classification are presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Economic and Functional Classification of the central government budget (2008-2009) is available at: http://finmin.nic.in/reports/FunClass200809.pdf</p> <p>The report cited above provides detailed information on the Budget based on Economic and Functional Classification with a one year lag. However this document cannot be cite as the Executive's Budget Proposal or a Supporting document for the Executive's Budget Proposal. Therefore the correct response to this question is “d”.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>4. Does the executive's budget or any supporting budget documentation present expenditures for individual programs for the budget year?</p> <ul style="list-style-type: none"> a. Program-level data are presented for all expenditures. b. Program-level data are presented for at least two-thirds of, but not all, expenditures. c. Program-level data are presented, but for less than two-thirds of expenditures. d. No program-level data are presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Expenditure Budget (Vol. II) 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/vol2.htm</p> <p>Demands for Grants of Central Government 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/dg.htm</p> <p><u>Comment:</u> These two documents present detailed program-level data. For example, program-level data on the Department of Agriculture and Cooperation (Ministry of Agriculture) is available at: http://www.indiabudget.nic.in/ub2009-10/eb/sbe1.pdf and http://www.indiabudget.nic.in/ub2009-10/eb/dg1.pdf</p> <p>The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Citation: Expenditure Budget (Vol. II). Notes on Demand for Grants page 1 through 250 (demand 1 through 105), and Demand for Grants pages 1 through 128.</p>	<p>a</p>
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<p>5. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for a multi-year period (at least two years beyond the budget year)?</p> <p>a. Yes, multi-year estimates of aggregate expenditure are presented. b. No, multi-year estimates of aggregate expenditure are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> Multi-year budgeting is not practiced in India. However, for Fiscal Indicators annual rolling targets are set on a multi year basis (see the following document). http://www.indiabudget.nic.in/ub2009-10/frbm/frbm2.pdf, Page # 1, Table: A</p> <p>Regarding Expenditure, the Planning Commission (and its various working groups) proposes annual expenditures required on a multi year basis. However, these are not included in budget documents and therefore the response is 'b'.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>6. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <p>a. Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative). b. Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs. c. Yes, multi-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs. d. No, multi-year estimates are presented for aggregate expenditure only, or they are not presented at all. e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> As multi-year budgeting is not practiced in India "d" is the most appropriate answer.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>7. Does the executive's budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the budget year?</p> <ol style="list-style-type: none"> All sources of tax revenue are identified individually. Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually. Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually. No sources of tax revenue are identified individually. Not applicable/other (please comment). <p><u>Citation:</u> Annual Financial Statement 2009-10; Consolidated Fund of India - Revenue Account - Receipts http://www.indiabudget.nic.in/ub2009-10/afs/afs1.pdf</p> <p>Receipts Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/taxrev.pdf</p> <p><u>Comment:</u> See Page # 1 of the first citation and Page # 2- 3 of the second citation.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>8. Does the executive's budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the budget year?</p> <ol style="list-style-type: none"> All sources of non-tax revenue are identified individually. Sources of non-tax revenue amounting to at least two-thirds of, but not all, non-tax revenues are identified individually. Sources of non-tax revenues amounting to less than two-thirds of all non-tax revenue are identified individually. No sources of non-tax revenues are identified individually. Not applicable/other (please comment). <p><u>Citation:</u> Annual Financial Statement 2009-10; Consolidated Fund of India - Revenue Account - Receipts http://www.indiabudget.nic.in/ub2009-10/afs/afs1.pdf</p> <p>Receipts Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/ntaxrev.pdf</p> <p><u>Comment:</u> See Page # 1 of the first citation and Page # 5- 10 of the second citation</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>9. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of revenue presented for a multi-year period (at least two years beyond the budget year)?</p> <p>a. Yes, multi-year estimates of aggregate revenue are presented. b. No, multi-year estimates of aggregate revenue are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> Same as question no. 5</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>
<p>10. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <p>a. Yes, multi-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax). b. Yes, multi-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue. c. Yes, multi-year estimates are presented, but only for some individual sources of revenue. d. No, multi-year estimates are presented for aggregate revenue only, or they are not presented at all. e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> As Multi-year budgeting is not practiced in India, “d” is the most appropriate answer.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>

<p>11. Does the executive’s budget or any supporting budget documentation present data on the total government debt outstanding for the budget year?</p> <ul style="list-style-type: none"> a. Yes, the data reflect the outstanding debt both at the start of the budget year and at the end of the budget year (and thereby reflect the net borrowing requirement of the budget). b. Yes, the data reflect the outstanding debt at the end of the budget year. c. Yes, the data reflect the outstanding debt at the start of the budget year. d. No, data on the outstanding debt are not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Debt Position of the Government of India, Receipt Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex3.pdf</p> <p><u>Comment:</u> It provides extensive information on the position of debt (see pages # 26-28).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<p>12. Does the executive's budget or any supporting budget documentation present interest payments on the debt for the budget year?</p> <p>a. Yes, interest payments on the debt are presented. b. No, interest payments on the debt are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u> Ministry of Finance: Appropriation Interest Payments; Expenditure Budget (Vol.II) 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/sbe34.pdf, Page # 85</p> <p>Debt Position of the Government of India, Receipt Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex3.pdf, Page No. 26-28</p> <p>Statement I -Consolidated Fund of India- Revenue Account- Disbursements (Page # 4, see point c under General Services), Annual Financial Statement 2009-10 http://www.indiabudget.nic.in/ub2009-10/afs/afs2.pdf</p> <p>Statement IA- Disbursement "Charged" on the Consolidated Fund of India (Page # 12, see Major Head No. 2049), Annual Financial Statement 2009-10 http://www.indiabudget.nic.in/ub2009-10/afs/afs5.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<p>13. Does the executive's budget or any supporting budget documentation present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, currency denomination of the debt, or whether it is domestic and external debt) for the budget year?</p> <p>a. Yes, extensive information related to the composition of government debt is presented.</p> <p>b. Yes, key additional information is presented, but some details are excluded.</p> <p>c. Yes, some additional information is presented, but it lacks important details.</p> <p>d. No, additional information related to the composition of government debt is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Details of Current Rupee Loans of the Central Government, Receipt Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex4.pdf</p> <p>Debt Position of the Government of India, Receipt Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex3.pdf</p> <p>External Assistance-Receipts and Repayments- Country/Organization-wise, Receipts Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex2.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Citation: Receipts Budget 2009-10. Annex 4, Details of Current Rupee Loans of the Central Government, page 32; Receipts Budget 2009-10. Debt Position of the Government of India, Annex 3, page 27;</p>	<p>a</p>
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14. Does the executive's budget or any supporting budget documentation present the macroeconomic forecast upon which the budget projections are based?

- a. Yes, an extensive discussion of the macroeconomic forecast is presented, and key assumptions (such as inflation, real GDP growth, unemployment rate, and interest rates) are stated explicitly.
- b. Yes, the macroeconomic forecast is discussed and most of the key assumptions are stated explicitly, but some details are excluded.
- c. Yes, there is some discussion of the macroeconomic forecast (and/or the presentation of key assumptions), but it lacks important details.
- d. No, information related to the macroeconomic forecast is not presented.
- e. Not applicable/other (please comment).

Citation:

Budget Speech 2009-10

<http://www.indiabudget.nic.in/ub2009-10/bs/speecha.htm>, Section # 5, 7, 11, 13 etc.

Macro-Economic Framework Statement 2009-10

<http://www.indiabudget.nic.in/ub2009-10/frbm/frbm1.pdf>, Page # 21, Section I., Economic Growth.

The Medium Term Fiscal Policy Statement 2009-10

<http://www.indiabudget.nic.in/ub2009-10/frbm/frbm2.pdf>, Page # 27 & 28.

The Fiscal Policy Strategy Statement 2009-10

<http://www.indiabudget.nic.in/ub2009-10/frbm/frbm3.pdf>, Page # 34-41.

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment: I agree with the above rating since there are no details regarding unemployment or interest rates in the above documents.

b

<p>15. Does the executive’s budget or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget (including expenditures, revenues, and debt)?</p> <ol style="list-style-type: none"> a. Yes, extensive information on the impact of macroeconomic assumptions on the budget is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the impact of the major macroeconomic assumptions, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on the impact of different macroeconomic assumptions on the budget is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> The Macro Economic Framework Statement http://www.indiabudget.nic.in/ub2009-10/frbm/frbm1.pdf, Page # 21</p> <p>The Medium Term Fiscal Policy Statement http://www.indiabudget.nic.in/ub2009-10/frbm/frbm2.pdf, Page # 27</p> <p>The Fiscal Policy Strategy Statement http://www.indiabudget.nic.in/ub2009-10/frbm/frbm3.pdf, Page # 34</p> <p><u>Comment:</u> These documents provide some information on the macroeconomic forecasts but this information is not presented systematically. The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Citations: Macro-Economic Framework, page 21, Medium Term Fiscal Policy Statement, page 27. The Fiscal Policy Statement, page 34.</p>	<p>C</p>
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16. Does the executive's budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect expenditures?
- Yes, extensive information on the impact of policy proposals on expenditures is presented, including both a narrative discussion and quantitative estimates.
 - Yes, information is presented, highlighting the impact of key policy proposals on expenditures, but some details are excluded.
 - Yes, some information is presented, but it lacks important details.
 - No, information on the impact of policy proposals on expenditures is not presented.
 - Not applicable/other (please comment).

Citation:

Budget Speech

<http://indiabudget.nic.in/ub2009-10/bs/speecha.htm>

The Medium Term Fiscal Policy Statement, 2009-10

<http://www.indiabudget.nic.in/ub2009-10/frbm/frbm2.pdf>, Page # 30-32

Comment:

New policy proposals are accounted for in the budget to some extent but they are not very explicitly stated. However, this information is presented in the speech of the Finance Minister and in the Expenditure Budget volume II, it is easier to locate.

Sometimes, proposals are made in the budget speech but in the absence of a concrete administrative set up at the time of the budget proposal, allocations are not made properly. However, if these budgetary policy proposals take concrete shape during the rest of the year, they are accounted for in the supplementary budgets.

Peer Reviewer One Comment:

Peer Reviewer Two Comment: The Budget Highlights provide information on some policy proposals and their impact on expenditure. However, these are very limited. The Macro Economic Framework on the other hand does not provide policy initiatives of the GOI – it is a description of inflation, growth rate, production, etc. A more appropriate citation for this question would be The Budget Speech by the Minister of Finance, July 6, 2009.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire "b." I chose my answer because the above mentioned documents contain some information regarding new policy proposals; although this information is scattered across those documents. I think the cited documents provide adequate information to choose the answer "b."

IBP Comment: IBP editors chose response "b" based on the researcher's citation and comment.

b

17. Does the executive's budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect revenues?

- a. Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information on the impact of policy proposals on revenues is not presented.
- e. Not applicable/other (please comment).

Citation:

Receipt Budget 2009-10

<http://www.indiabudget.nic.in/ub2009-10/rec.htm>, Page # 2& 3.

Comment:

This document provides detailed information on revenue receipts. It also contains the new tax policy and its impact on revenues. For example, a new policy proposal such as the introduction of an additional education cess of 1 % has been reflected in the receipt budget. In addition, the estimated revenue from the cesses administered by the department of revenue increased by 10 percent approximately, due to the introduction of education cess for secondary and higher education.

(<http://www.indiabudget.nic.in/ub2009-10/rec/taxrev.pdf>)

In the wake of the economic crisis, as the government cut down the customs and union excise duties (see budget speech 2009-10), there will be a significant decline in the revenue collections from those taxes and it is reflected in this document (see <http://www.indiabudget.nic.in/ub2009-10/rec/taxrev.pdf>).

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

b

Estimates for Years Prior to the Budget Year	
<p>18. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <ol style="list-style-type: none"> a. All expenditures are classified by administrative unit for BY-1. b. Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately. c. Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately. d. No expenditures classified by administrative unit are presented for BY-1. e. Not applicable/other (please comment). <p><u>Citation:</u> Expenditure Budget (Vo. II) 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/vol2.htm</p> <p><u>Comment:</u> All the demands of the Ministries and Departments under the above citations give expenditures for the year preceding the Budget Year.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Yes, both the budgeted and revised expenditures are provided for the previous year. Expenditure Budget, Vol. II. 2009-10, Notes on Demands for Grants page 1 through 250.</p>	a

<p>19. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by functional classification?</p> <ol style="list-style-type: none"> All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards. All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by function for BY-1. No expenditures classified by function are presented for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> Annual Financial statement 2009-10 http://www.indiabudget.nic.in/ub2009-10/afs/afs2.pdf http://www.indiabudget.nic.in/ub2009-10/afs/afs4.pdf</p> <p><u>Comment:</u> Functional classification-wise aggregate expenditure data of the Union Government are available in the Annual Financial Statement (cited above). Page # 4- 6 of the first citation and Page # 8- 11 of the second citation.</p> <p>Apart from that, since 1968 the government has presented functional classification of budget with one year lag, i.e, a year after the budget proposal. For example, the detailed report of the Budget 2008-09 is available in February 2009 at the following link, http://finmin.nic.in/reports/FunClass200809.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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<p>20. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by economic classification?</p> <ul style="list-style-type: none"> a. All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards. b. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards. c. Some, but not all, expenditures are classified by economic classification for BY-1. d. No expenditures classified by economic classification are presented for BY-1. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> An Economic and Functional Classification of the central government budget(2008-2009) http://finmin.nic.in/reports/FunClass200809.pdf This Document shows economic classification wise data, comparable to international standards, with a one year lag. But this document is neither an executive's budget or a supporting document. So, the answer should be "d."</p> <p>The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>21. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?</p> <ul style="list-style-type: none"> a. Program-level expenditure data are presented for all expenditures for BY-1. b. Program-level expenditure data are presented for at least two-thirds of, but not all, expenditures for BY-1. c. Program-level expenditure data are presented, but for less than two-thirds of expenditures for BY-1. d. No program-level expenditure data are presented for BY-1. e. Not applicable/other (please comment). <p><u>Citation:</u> Expenditure Budget (Vol. II) 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/vol2.htm</p> <p>Demands for Grants of central Government 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/dg.htm</p> <p><u>Comment:</u> For example, see Page # 1-4 of the first citation and Page # 1 of the second citation.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<p>22. In the executive's budget or any supporting budget documentation, how many months of actual data are reflected in the expenditure estimates of the year prior to the budget year (BY-1)?</p> <ol style="list-style-type: none"> All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure. All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure. Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure. The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Usually, in India, the budget year starts in April and the ministries prepare revised estimates on the basis of 6 & more months of actual data. The information is made available in the budget circular by the Department of Economic Affairs. The Appendix IV-B (page no. 24) of the Budget Circular 2009-10, 19th September 2008; http://finmin.nic.in/the_ministry/dept_eco_affairs/budget/budgetcircular2009-10.pdf. This needs actuals up to September 2008 for calculation of revised estimates of 2008-09 for preparing budget documents for 2009-10.</p> <p>The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<p>23. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?</p> <p>a. Yes, such prior-year estimates of aggregate expenditure are presented.</p> <p>b. No, such prior-year estimates of aggregate expenditure are not presented.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u> Statement I - Consolidated Fund of India, Annual Financial Statement 2009-10: http://www.indiabudget.nic.in/ub2009-10/afs/afs2.pdf, Page # 4-6 http://www.indiabudget.nic.in/ub2009-10/afs/afs4.pdf, Page # 8-11</p> <p>Trends in Expenditure, Expenditure Budget (Vol. I) 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/trend.pdf, Page # 102-104</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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24. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?
- Yes, such prior-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative).
 - Yes, such prior-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs.
 - Yes, such prior-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs.
 - No, such prior-year estimates are presented for aggregate expenditure only, or they are not presented at all.
 - Not applicable/other (please comment).

Citation:

Demands for Grants of Central Government, Expenditure Budget 2009-10
<http://www.indiabudget.nic.in/ub2009-10/eb/dg.htm>

Comment:

On the mentioned site, the detailed Demand for Grants of all the Departments/Ministries are available. These provide detailed expenditure data up to the BY-2 level.

a

Peer Reviewer One Comment:

Peer Reviewer Two Comment: This is incorrect. Both the Demands for Grants of Central Government, Expenditure Budget 2009-10 and the Expenditure Budget, Vol. II 2009-10 have budgeted and revised figures for BY-1 only, not for BY-2. The Expenditure Budget, Vol. I 2009-10 has actual expenditures for all individual programs for BY-2, starting with Statement 2, page 4 through 9 only. Also Trends in Expenditure, Expenditure Budget, Vol. I 2009-10, Annex 3, page 102, has actual expenditures from 2000-01 onwards.

Researcher Response: I agree with the reviewer's comment. But I think the answer should be "a." This is because every ministry, within 2-3 weeks of the presentation of budget, presents its respective "Detailed Demand for Grants" in the Parliament. This should be considered as a supporting budget document, which gives programme level data for year BY-2.

Say for example, Detailed Demand for Grants 2009-10, of the Ministry of Finance: http://www.finmin.nic.in/reports/detail_dg.html. This provides the actual expenditure data of 2007-08 even beyond the programme level. So, I think "a" is the most appropriate answer, but the citation must be replaced by the document, I am citing now.

IBP Comment: IBP editors chose response "a" based on the researcher's citation and comment.

<p>25. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?</p> <ul style="list-style-type: none"> a. Two years prior to the budget year (BY-2). b. Three years prior to the budget year (BY-3). c. Before BY-3. d. No actual data for all expenditures are presented in the budget or supporting budget documentation. e. Not applicable/other (please comment). <p><u>Citation:</u> Statement I - Consolidated Fund of India, Annual Financial Statement 2009-10; http://www.indiabudget.nic.in/ub2009-10/afs/afs2.pdf, Page # 4-6 http://www.indiabudget.nic.in/ub2009-10/afs/afs4.pdf, Page # 8-11</p> <p>Trends in Expenditure, Expenditure Budget (Vol. I) 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/trend.pdf, Page # 102-104</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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26. Are the expenditure estimates for the years prior to the budget year adjusted, as needed, to be comparable with the budget-year estimates in terms of classification and presentation?

- a. Yes, prior-year data are always adjusted to be comparable to the budget year data.
- b. Yes, in most cases, prior-year data are adjusted to be comparable.
- c. Yes, in some cases, prior-year data are adjusted to be comparable, but significant deviations between prior-year and budget-year classifications exist.
- d. No, prior-year data are not adjusted to be comparable, or no prior-year estimates are presented.
- e. Not applicable/other (please comment).

Citation:

Annual Financial Statement 2009-10

<http://www.indiabudget.nic.in/ub2009-10/afs/afs2.pdf>, Page # 4-6.

Budget Circular 2009-10

http://finmin.nic.in/the_ministry/dept_eco_affairs/budget/budgetcircular2009-10.pdf, Page # 5.

Comment:

In the budget circular 2009-10 (section 3.2.1) it is clearly mentioned that departments should ensure that all schemes that have been discontinued do not find mention in the revised estimates of the previous year.

Similarly schemes that are not to be continued beyond the previous year, should not be included for BY 2009-10. In all other cases the items are arranged by major head codes and are comparable. However, since it is easy to know the schemes which are to be discontinued, we have given the answer "a" for this question.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

a

<p>27. Does the executive's budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the year preceding the budget year (BY-1)?</p> <ol style="list-style-type: none"> All tax revenues are identified individually for BY-1. Tax revenues amounting to at least two-thirds of, but not all, tax revenue for BY-1 are identified individually. Tax revenues amounting to less than two-thirds of all tax revenues for BY-1 are identified individually. No tax revenues are identified individually for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> Receipts Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/taxrev.pdf, Page # 2-3</p> <p>Statement I - Consolidated Fund of India, Revenue Receipts http://www.indiabudget.nic.in/ub2009-10/afs/afs1.pdf, Page #1-3</p> <p><u>Comment:</u> All tax revenues are classified for the year preceding the Budget Year.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>28. Does the executive's budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the year preceding the budget year (BY-1)?</p> <ol style="list-style-type: none"> All non-tax revenues are identified individually for BY-1. Non-tax revenues amounting to at least two-thirds of, but not all, non-tax revenue for BY-1 are identified individually. Non-tax revenues amounting to less than two-thirds of all non-tax revenues for BY-1 are identified individually. No non-tax revenues are identified individually for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> Non-Tax Revenue, Receipts Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/ntaxrev.pdf, Page # 5-11</p> <p>Statement I - Consolidated Fund of India, Revenue Account- Receipts http://www.indiabudget.nic.in/ub2009-10/afs/afs1.pdf, Page # 1-3.</p> <p><u>Comment:</u> All non-tax revenues are mentioned in these documents.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>29. In the executive's budget or any supporting budget documentation, how many months of actual data are reflected in the revenues estimates of the year prior to the budget year (BY-1)?</p> <ol style="list-style-type: none"> All BY-1 estimates have been updated from the original estimates to reflect six or more months of actual revenue collections. All BY-1 estimates have been updated from the original estimates, but reflect less than six months of actual revenue collections. Some BY-1 estimates have not been updated from the original estimates to reflect actual revenue collections. The BY-1 estimates have not been updated from the original estimates or no BY-1 estimates are presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p>Budget Circular 2009-10, 19th September 2008 http://finmin.nic.in/the_ministry/dept_eco_affairs/budget/budgetcircular2009-10.pdf, see Page # 8, Section f.</p> <p>Usually, in India, the budget year starts in April and the ministries prepare revised estimates on the basis of 6 & more months of actual data.</p> <p>The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<p>30. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of revenues presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?</p> <p>a. Yes, such prior-year estimates of aggregate revenue are presented. b. No, such prior-year estimates of aggregate revenue are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u> Revenue Account - Receipts, Annual Financial Statement, 2009-10 http://www.indiabudget.nic.in/ub2009-10/afs/afs1.pdf, page # 1-3</p> <p>Trends in Receipts, Receipt Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex5.pdf, Page # 36</p> <p><u>Comment:</u> Actual figures available for BY-2 and prior years.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>31. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?</p> <p>a. Yes, such prior-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax). b. Yes, such prior-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue. c. Yes, such prior-year estimates are presented, but only for some individual sources of revenue. d. No, such prior-year estimates are presented for aggregate revenue only, or they are not presented at all. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Trend in Receipts, Receipts Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex5.pdf, Page # 36</p> <p><u>Comment:</u> The figures available for BY-2 and prior years are actual figures.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>32. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?</p> <ol style="list-style-type: none"> Two years prior to the budget year (BY-2). Three years prior to the budget year (BY-3). Before BY-3. No actual data for all revenues are presented in the budget or supporting budget documentation. Not applicable/other (please comment). <p><u>Citation:</u> Annual Financial Statement 2009-10 http://www.indiabudget.nic.in/ub2009-10/afs/afs1.pdf, page # 1-3</p> <p>Trend in Receipts, Receipts Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex5.pdf, Page # 36</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>33. Does the executive's budget or any supporting budget documentation present information related to the government debt for the year preceding the budget year?</p> <ol style="list-style-type: none"> Yes, extensive information is presented on the level and composition of government debt for the year preceding the budget year. Yes, information on the level of debt is presented, but some important details about the composition of the debt are excluded. Yes, but only information on the level of debt is presented. No, information related to the government debt for BY-1 is not presented. Not applicable/other (please comment). <p><u>Citation:</u> Debt position of the Government of India 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex3.pdf, Page # 26 & 27</p> <p>Details of Current Rupee Loans of the Central Government 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex4.pdf, Page # 32-35</p> <p>External Assistance-Receipts and Repayments - Country/Organization-wise http://www.indiabudget.nic.in/ub2009-10/rec/annex2.pdf, Page # 21</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>34. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?</p> <ul style="list-style-type: none"> a. Two years prior to the budget year (BY-2). b. Three years prior to the budget year (BY-3). c. Before BY-3. d. No actual data for government debt are presented in the budget or supporting budget documentation. e. Not applicable/other (please comment). <p><u>Citation:</u> Debt position of the Government of India 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex3.pdf, Page # 27</p> <p>Statement I- Consolidated Fund of India, Annual Financial Statement 2009-10 http://www.indiabudget.nic.in/ub2009-10/afs/afs3.pdf, Page # 7</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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Comprehensiveness	
<p>35. Does the executive's budget or any supporting budget documentation present information for at least the budget year on extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on extra-budgetary funds is not presented. Not applicable/other (please comment). <p><u>Citation:</u> Central Plan Outlay by Ministries/Departments 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/stat12.pdf, Page # 37 & 38</p> <p>Expenditure Budget Vol. 2 http://www.indiabudget.nic.in/ub2009-10/eb/vol2.htm</p> <p><u>Comment:</u> The first document provides the aggregate figures. In the second citation ministry-wise figures are available in Sections B & C of the of the expenditure budget of each ministry. For example, sections B & C of the expenditure budget of Department of Telecommunications, are available at: http://www.indiabudget.nic.in/ub2009-10/eb/sbe14.pdf, shows the extra-budgetary funds. See Page # 39.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> I have not found any documentation that confirms that the term "outlay" is synonymous with "extra-budgetary" funds in India.</p> <p><u>Researcher Response:</u> I agree with the reviewer that the term "outlay" is not synonymous with "extra-budgetary" funds. Actually, both the documents cited above provide information on the Internal and Extra Budgetary Resources (IEBR), which are part of the total Plan Outlay for different Ministries/Departments of the Union Government. These resources (IEBR) refer to the investments made by Public Sector Undertakings (PSUs) in accordance with the Plan objectives/goals of the Union Government. So, I think the answer "b" should remain unchanged.</p> <p><u>IBP Comment:</u> IBP editors chose response "b" based on the researcher's citation and comment.</p>	b

36. Does the executive's budget or any supporting budget documentation present information for at least the budget year on intergovernmental transfers?

- a. Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information on intergovernmental transfers is not presented.
- e. Not applicable/other (please comment).

Citation:

Transfers to State and Union Territory Governments

<http://www.indiabudget.nic.in/ub2009-10/eb/sbe35.pdf>, page # 86-87

Non-plan Grants and Loans to State & U.T. Governments

<http://www.indiabudget.nic.in/ub2009-10/eb/stat10.pdf>, Page # 23

Plan Grants and Loans to State & Union Territory Governments

<http://www.indiabudget.nic.in/ub2009-10/eb/stat17.pdf>, Page # 51-53

Direct Transfer of Central Plan Assistance to State/District Level Autonomous Bodies/Implementing Agencies

<http://www.indiabudget.nic.in/ub2009-10/eb/stat18.pdf>, Page # 54-56

Comment:

The budget presents information regarding transfers (both as loans and grants) to state governments. However, in India, the governance structure is three tiered. While extensive information on inter governmental transfers to State governments are provided in the budget documents, detailed information on flows to panchayat bodies is provided in the state budgets.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

a

<p>37. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on transfers to public corporations?</p> <ul style="list-style-type: none"> a. Yes, extensive information on transfers to public corporations is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key transfers to public corporations, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on transfers to public corporations is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Departmental Commercial Undertakings 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/stat07.pdf, Page # 18.</p> <p>Non-Plan Grants and Loans to Public Enterprises 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/stat09.pdf, Page # 21-22</p> <p>Plan Investments in Public Enterprises 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/stat14.pdf, Page # 41-45</p> <p>Resources of Public Enterprises 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/stat15.pdf, Page # 46-48</p> <p><u>Comment:</u> Extensive information on transfers from the government on both commercial undertakings and public corporations is provided.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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38. Does the executive's budget or any supporting budget documentation present information for at least the budget year on quasi-fiscal activities?

- a. Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates.
- b. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information on quasi-fiscal activities is not presented.
- e. Not applicable/other (please comment).

Citation:

Comment:

Though a number of quasi-fiscal activities are undertaken in the year by government financial institutions, these are not reflected in the budget documents explicitly. Section C of the expenditure budget of different ministries/ departments (<http://www.indiabudget.nic.in/ub2009-10/eb/vol2.htm>) gives some information.

Researcher Response to this Question was "c"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: Section C referred to above has information on plan and non-plan outlays for each ministry/department. This does not refer to quasi-fiscal activities. A more appropriate response to this question would be "d."

Researcher Response: A more appropriate response to this question would be "b." Firstly, the budget documents clearly specify the Ministry/Department wise Internal and Extra Budgetary Resources (IEBR), which are investments made by Public Sector Undertakings (PSUs) in accordance with the Plan objectives/goals of the Union Government. Secondly, the fiscal transfers to financial institutions for specified quasi-fiscal activities are also captured in Demand No. 33 "Department of Financial Services," see <http://indiabudget.nic.in/ub2009-10/eb/sbe33.pdf>. Even the below-the-line bond issuances (oil/fertilizer/food bonds) are reflected in the budget documents (though not included at present in *fiscal deficit* computations). One important aspect is that the budget documents do not fully capture the fiscal implications and contingent liabilities arising from such quasi-fiscal activities.

IBP Comment: IBP editors chose response "c" since the budget documents do not capture the fiscal implications of quasi fiscal activities.

C

39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?
- Yes, extensive information on financial assets is presented, including a listing of the assets, a discussion of their purpose, and an estimate of their market value.
 - Yes, information is presented, highlighting key information, but some details are excluded.
 - Yes, some information is presented, but it lacks important details.
 - No, information on financial assets is not presented.
 - Not applicable/other (please comment).

Citation:

Debt position of the Government of India 2009-10
<http://www.indiabudget.nic.in/ub2009-10/rec/annex3.pdf>, Page # 27-28

Annual Financial Statement 2009-10
<http://www.indiabudget.nic.in/ub2009-10/afs/afs3.pdf>, Page # 7

Comment:

Financial Assets of the Union Government comprise of revenue receipts, capital receipts and public account receipts. Extensive information on these are provided in the budget documents in the annual financial statement.

Further, extensive information on government assets both financial and non financial assets are provided in some other documents other than the executive's budget proposal. For more details please visit < <http://finmin.nic.in/reports/ipfstat/IPFStat200809.pdf> > and Controller & Auditor General's report.

The full text of the Fiscal Responsibility and Budget Management (FRBM) Act and the associated rules are available in Appendix-C of a report by the Finance Ministry at < <http://finmin.nic.in/downloads/reports/frbm/8.pdf> > (Page 183).

b

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: The information provided in the two citations is very general and mostly focuses on receipts from funds. There is no information on stocks or bonds, property, land, etc. their past earnings or current market value. A more appropriate response to this question would be "c."

Researcher Response: A more appropriate response to this question would be "b." A statement of Assets is presented as part of the Receipts Budget [Annex 3 (ii)] (see <http://indiabudget.nic.in/ub2009-10/rec/annex3.pdf>) which includes loans advanced by the Government and investments made during the year. However the current market valuation of investments in public sector undertakings, etc. is not being captured in the budget documents.

IBP Comment: IBP editors chose response "b" based on the researcher's comment and citation.

40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?
- a. Yes, extensive information on non-financial assets is presented, including a listing of the assets, and (where possible) an estimate of their market value.
 - b. Yes, information is presented, highlighting key information, but some details are excluded.
 - c. Yes, some information is presented, but it lacks important details.
 - d. No, information on non-financial assets is not presented.
 - e. Not applicable/other (please comment).

Citation:

Debt position of the Government of India 2009-10
<http://www.indiabudget.nic.in/ub2009-10/rec/annex3.pdf>, Page # 31, Annex 3 (iv)

Comment:

Annex 3 (iv) of the cited document gives detailed information on non-financial assets like land, building, road, irrigation projects, power projects, machinery and equipments, vehicles etc.

b

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: The Annual Financial Statement 2009-10. Statement 1, Consolidated Fund of India, Revenue Account – Receipts, Page 1 has some information on non-financial assets. But there is no discussion on this and no details. A more appropriate response to this question would be "c."

Researcher Response: A more appropriate response to this question would be "b." A statement on non-financial assets held by the government is presented as part of the *Receipts Budget* [Annex 3 (iv), Page # 31] (see <http://indiabudget.nic.in/ub2009-10/rec/annex3.pdf>). However, this statement does not include the assets of Cabinet Secretariat, Central Police Organizations, Ministry of Defense and Departments of Space and Atomic Energy.

IBP Comment: IBP editors chose response "b" based on the researcher's citation and comment.

<p>41. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on expenditure arrears?</p> <ul style="list-style-type: none"> a. Yes, extensive information on expenditure arrears is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key expenditure arrears, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on expenditure arrears is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Response “e” would be more relevant as India does not practice a multi-year budgeting system. Apart from the non lapsable funds essentially meant for capital asset creation, expenditure arrears are not an issue, as expenditures are settled on a year to year basis (there is no double entry book keeping) and the finances are closed on 31st of March every year.</p> <p><u>Peer Reviewer One Comment:</u> “e” is an appropriate response. All arrears are carried forth to the next FY on 01 April.</p> <p><u>Peer Reviewer Two Comment:</u> India follows a balanced budget principle and does not allow expenditure arrears. Unused expenditures cannot be carried forward, and debt financing is used to balance the budget. Therefore “e” is an appropriate response to this question.</p>	<p>e</p>
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42. Does the executive's budget or any supporting budget documentation present information on contingent liabilities (such as government loan guarantees)?

- a. Yes, extensive information on contingent liabilities is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, information is presented, highlighting key contingent liabilities, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information on contingent liabilities is not presented.
- e. Not applicable/other (please comment).

Citation:

Debt position of the Government of India, Receipts Budget 2009-10
<http://www.indiabudget.nic.in/ub2009-10/rec/annex3.pdf>, Page # 29-30
Annex 3 (iii).

Comment:

After the introduction of the Fiscal Responsibility and Budget Management (FRBM) Act (enacted in July 2003), contingency liabilities as per rule 6, are being placed as part of the receipt budget. The full text of the FRBM Act is available online on Appendix-C, page 183, of a report brought out by the Ministry of Finance. It can be accessed at:
<http://finmin.nic.in/downloads/reports/frbm/8.pdf>

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

IBP Comment: IBP editors chose response "b" since there is no narrative and only a table is presented.

b

<p>43. Does the executive's budget or any supporting budget documentation present information on future liabilities, such as civil service pensions?</p> <ol style="list-style-type: none"> Yes, extensive information on future liabilities is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key future liabilities, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on future liabilities is not presented. Not applicable/other (please comment). <p><u>Citation:</u> Statement IA - Disbursements "Charged" on the Consolidated Fund of India http://www.indiabudget.nic.in/ub2009-10/afs/afs5.pdf, Page # 12-13.</p> <p><u>Comment:</u> Liabilities for the current financial year are listed in detail. Information on future liabilities is provided but not in a separate statement.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C
<p>44. Does the executive's budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind?</p> <ol style="list-style-type: none"> All sources of donor assistance are identified individually. At least two-thirds of, but not all, sources of donor assistance, are identified individually. Less than two-thirds of sources of donor assistance are identified individually. No sources of donor assistance are identified individually. Not applicable/other (please comment). <p><u>Citation:</u> External Assistance-Receipts and Repayments Country/Organization-wise, Receipts Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex2.pdf, Page # 21-25</p> <p><u>Comment:</u> Detailed information is available here for sources of donor assistance.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

45. Does the executive's budget or any supporting budget documentation present information for at least the budget year on tax expenditures?
- a. Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates.
 - b. Yes, information is presented, highlighting key tax expenditures, but some details are excluded.
 - c. Yes, some information is presented, but it lacks important details.
 - d. No, information on tax expenditures is not presented.
 - e. Not applicable/other (please comment).

Citation:

Statement of Revenue Foregone, Union Budget 2009-10
<http://www.indiabudget.nic.in/ub2009-10/statrevfor.htm>, Page # 45-60

Annual Financial Statement 2009-10
<http://www.indiabudget.nic.in/ub2009-10/afs/afs2.pdf>, Page # 4

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment: Citation: Receipts Budget 2009-10, Statement of Revenue Foregone under the Central Tax System: Financial Years 2007-08 and 2008-09, Annex 12, Page 45. The budget does not provide information on tax expenditures for the budget year. Information is provided for BY-1 and BY-2. Thus a more appropriate response to this question would be "d."

Researcher Response: I agree with the reviewer that the Revenue Foregone statement is presented only for BY-1 and BY-2 years and not for the budget year. However, supporting documents such as the FM's budget speech (<http://indiabudget.nic.in/ub2009-10/bs/speecha.htm> Section # 88, 93, 101, 107, 109, 120 etc.) and the Explanatory Memorandum (of Finance Bill) provide elaborate narrative discussion on the tax exemptions proposed during the budget year. So, I think an appropriate response to this question would be "b."

IBP Comment: IBP editors chose response "b" based on the researcher's citation and comment.

b

<p>46. Does the executive's budget or any supporting budget documentation identify all earmarked revenues?</p> <ul style="list-style-type: none"> a. All earmarked revenues are identified individually. b. At least two-thirds of, but not all, earmarked revenues are identified individually. c. Less than two-thirds of earmarked revenues are identified individually. d. No earmarked revenues are identified individually. e. Not applicable/other (please comment). <p><u>Citation:</u> Tax Revenue, Receipts Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/taxrev.pdf, Page # 2-5</p> <p>Tax Revenue, Receipt Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/taxrev.pdf, Page # 2</p> <p><u>Comment:</u> For example "education cess" which is earmarked revenue meant for universalisation of elementary and secondary education is collected as a proportion of all taxes. This is explicitly mentioned in the "Receipts Budget" which is a supporting budget document.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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47. What percentage of expenditure in the budget year is dedicated to spending on secret items relating to, for instance, national security and military intelligence?

- a. One percent or less of expenditure is dedicated to secret items.
- b. Three percent or less, but more than one percent, of expenditure is dedicated to secret items.
- c. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items.
- d. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public.
- e. Not applicable/other (please comment).

Citation:

Comment:

Expenditure on National Security / Defense Expenditure is roughly around 14.5 % of the Union Budget expenditure. However, military intelligence expenses are not presented in the budget. During discussion with a few members of Parliament, we were informed that the expenditure on secret items related to national security and military intelligence is not revealed even to the legislators. However, according to them, the figure is around 8 percent of the total budget.

A report by the Federation of American Scientists (FSA) estimated the total budget of Research and Analysis Wing (RAW), which is India's foreign intelligence agency, to be Rs. 1500 crore in 2002 (or around 0.4% of budget in 2002-03)

<<http://www.fas.org/irp/world/india/raw/index.html> >.

Another report < <http://www.martinfrost.ws/htmlfiles/raw1.html> > states that the annual budget of Research and Analysis Wing (RAW) varies wildly between USD 16 Million a year to USD 145 million a year. In 1947, India had only two intelligence agencies: the Intelligence Bureau (IB) and Military Intelligence (MI). In 2007, it had eight such agencies: the IB, the Directorate-General of Security, the RAW, the Directorates-General of Military Intelligence, Air Intelligence, Naval Intelligence, the Defense Intelligence Agency and the National Technical Research Organisation. <<http://www.indiatogether.org/2007/oct/rvw-rawraman.htm> >

Organizations other than RAW spend less than what RAW spends. However, as per the discussion with experts on Public Finance issues in Human Rights, it is possible to draw some broad understanding and make some crude estimates on the expenditure by these agencies.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

d

The Budget Narrative & Performance Monitoring	
<p>48. Does the executive's budget or any supporting budget documentation explain how the proposed budget is linked to government's stated policy goals, by administrative unit (or functional category), for the budget year?</p> <ol style="list-style-type: none"> a. Yes, extensive information on the link between the budget and the government's stated policy goals, by administrative unit (or functional category) is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the link between major policy goals and the budget, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on the link between the budget and the government's stated policy goals is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Plan Outlay 2009-2010, Expenditure Budget Vol. I http://www.indiabudget.nic.in/ub2009-10/eb/po.pdf, Page # 25-36</p> <p>The Medium Term Fiscal Policy Statement 2009-10 http://www.indiabudget.nic.in/ub2009-10/frbm/frbm2.pdf, Page # 27-33</p> <p><u>Comment:</u> The Budget Speech, Budget Highlights and the Expenditure Budget Vol. I present the link between the proposed budget and stated policy goals. A few policy announcements such as those related to fiscal issues like deficits provide substantial information.</p> <p>The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.</p> <p><u>Peer Reviewer One Comment:</u> "b" is an appropriate response on account of such linkages being explained only for a few areas and only for a few units of the government. Often, it is presumed that the financial allocation explains the policy objective but it does not have efficacy sine no rationale is provided.</p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<p>49. Does the executive's budget or any supporting budget documentation explain how the proposed budget is linked to government's stated policy goals for a multi-year period (for at least two years beyond the budget year)?</p> <ol style="list-style-type: none"> Yes, extensive information on the link between the budget and the government's stated policy goals over a multi-year period is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the major policy goals, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the link between the budget and the government's stated policy goals over a multi-year period is not presented. Not applicable/other (please comment). <p><u>Citation:</u> The Medium Term Fiscal Policy Statement 2009-10 http://www.indiabudget.nic.in/ub2009-10/frbm/frbm2.pdf, Page # 27</p> <p><u>Comment:</u> After implementation of the FRBM Act, rolling targets for fiscal indicators are being set.</p> <p>The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.</p> <p><u>Peer Reviewer One Comment:</u> I agree. However, while rolling targets for fiscal indicators are emerging, it is difficult to consider them as a part of the budget exercise. They are more like a bridle on the executive functioning rather than legislative interventions towards multi-year policy goals.</p> <p><u>Peer Reviewer Two Comment:</u> Yes, some information is presented with respect to fiscal goals for two years beyond the current budget.</p>	<p>C</p>
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50. Does the executive's budget or any supporting budget documentation present non-financial data, such as the number of beneficiaries, for expenditure programs?
- Non-financial data are presented for all programs.
 - Non-financial data are presented for programs representing at least two-thirds of, but not all, expenditures.
 - Non-financial data are presented for programs representing less than two-thirds of expenditure.
 - No non-financial data are presented.
 - Not applicable/other (please comment).

Citation:

Ministry of Labour and Employment, Union Budget 2009-10
<http://www.indiabudget.nic.in/ub2009-10/eb/sbe60.pdf>, Page # 153, Section 17

Department of Rural Development, Union Budget 2009-10
<http://www.indiabudget.nic.in/ub2009-10/eb/sbe80.pdf>, Page # 189-190, Section 2, 4 & 5, 12 & 13.

Implementation of Budget Announcements 2009-10 (February)
<http://indiabudget.nic.in/ub2009-10%28I%29/impbud/impbud.pdf>, Page # 1,2, 3,4 and so on.

Outcome Budget 2009-10, Ministry of Rural Development, September 2009 http://www.rural.nic.in/budget/outcome_budget_rd_09-10.pdf

Comment:

Implementation of Budget Announcements provides these types of data. Information is presented for very few programs, especially in Expenditure Budget Volume-II (for certain departments under social and economic services) and the Budget Speech. Data including the number of beneficiaries is provided in the Outcome Budget, Performance Budget and Annual Report of the respective ministries. But the Performance Budget and Annual Reports are not budget documents.

C

Peer Reviewer One Comment:

Peer Reviewer Two Comment: Citation: (1) This does not provide information on the number of beneficiaries. It shows budget allocations for different labor categories such as labor welfare funds, social security, etc. (2) This citation also shows budget allocations for different rural development programs. Some limited information is provided on the percentage breakup between beneficiaries, for example between women, children, and SC/ST.

Researcher Response: Some limited information is provided in the cited documents. Apart from that some data on the number of beneficiaries is available in the Budget Speech (see section 46, 48, 52 etc). The answer should be "c."

IBP Comment: IBP editors chose response "c" based on the researcher's citation and comment.

51. Are the non-financial data presented useful for assessing how an expenditure program is performing?
- The non-financial data are very useful for assessing program performance.
 - The non-financial data are mostly useful for assessing program performance.
 - The non-financial data are somewhat useful for assessing program performance.
 - No non-financial data are provided or they are not useful for assessing program performance.
 - Not applicable/other (please comment).

Citation:

Ministry of Labour and Employment, Union Budget 2009-10
<http://www.indiabudget.nic.in/ub2009-10/eb/sbe60.pdf>, Page # 153, Section 17

Department of Rural Development, Union Budget 2009-10
<http://www.indiabudget.nic.in/ub2009-10/eb/sbe80.pdf> , Page # 189-190, Section 2, 4 & 5, 12 & 13.

Implementation of Budget Announcements 2009-10 (February)
<http://indiabudget.nic.in/ub2009-10%28I%29/impbud/impbud.pdf>, Page # 1,2, 3,4 and so on.

Outcome Budget 2009-10, Ministry of Rural Development, August 2009
http://www.rural.nic.in/budget/outcome_budget_rd_09-10.pdf

Comment:

Data in the cited documents are mostly useful.

Annual Reports of different Ministries gives non-financial data that are useful for assessing programs.

Researcher Response to this Question was "b"

Peer Reviewer One Comment: I agree. However, a more complete explanation of the "Vote on Account" or Interim Budget pending a full post-election budget is needed to contextualize this assessment. Besides, extensive performance data is reported by respective departments and ministries but all these documents are not sent to the legislature as part of the budget.

Peer Reviewer Two Comment: "c" is an appropriate Citation: Ministry of State for Finance, Budget 2008-2009, Position reported on January 15, 2009. This document does not provide any information on program/department goals, objectives, and performance indicators. However, there is some information regarding inputs (costs), coverage, and targets.

IBP Comment: IBP editors chose response "c" based on the researcher's citation and comment.

C

<p>52. Does the executive’s budget or any supporting budget documentation contain performance indicators for expenditure programs?</p> <ol style="list-style-type: none"> Performance indicators are presented for all programs. Performance indicators are presented for programs representing at least two-thirds of, but not all, expenditures. Performance indicators are presented for programs representing less than two-thirds of expenditures. No performance indicators are presented. Not applicable/other (please comment). <p><u>Citation:</u> Implementation of Budget Announcements 2009-10 (February) http://indiabudget.nic.in/ub2009-10%28I%29/impbud/impbud.pdf, Page # 1-4</p> <p>Outcome Budget 2009-10, Ministry of Rural Development http://www.rural.nic.in/budget/outcome_budget_rd_09-10.pdf</p> <p><u>Comment:</u></p> <p><u>Researcher Response to this Question was “c”</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> See comment for question 51. There is wide variance in the quality of information provided in the Outcome Budgets of the various Ministries. Examination of the outcome budgets of the Ministry of Shipping, Ministry of Culture, and Ministry of Food Processing Industries show some discussion of goals/objectives, but no listing of performance indicators. Tables include outcome and output statements, and mostly output, not outcome indicators.</p> <p><u>Researcher Response:</u> I agree with the reviewer’s opinion in this regard; I think “d” is an appropriate answer.</p>	d
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<p>53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?</p> <ol style="list-style-type: none"> All performance indicators are well designed. Most performance indicators are well designed. Some performance indicators are well designed, but most are not. No programs have performance indicators, or they are not well designed. Not applicable/other (please comment). <p><u>Citation:</u> Implementation of Budget Announcements 2009-10 (February) http://indiabudget.nic.in/ub2009-10%28I%29/impbud/impbud.pdf, Page # 1-4 and so on.</p> <p>Outcome Budget 2009-10, Ministry of Rural Development http://www.rural.nic.in/budget/outcome_budget_rd_09-10.pdf</p> <p><u>Comment:</u></p> <p><u>Researcher Response to this Question was "c"</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> See comment for questions 51 and 52. In addition there is no baseline information or target and actual information for output indicators. Most indicators listed are not measurable. "D" is an appropriate response because the indicators are not well designed.</p> <p><u>IBP Comment:</u> IBP editors chose response "d" since performance indicators are not well designed.</p>	<p>d</p>
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54. Are performance indicators used in conjunction with performance targets presented in the executive's budget or any supporting budget documentation?

- a. All performance indicators are used in conjunction with performance targets.
- b. Most performance indicators are used in conjunction with performance targets.
- c. Some performance indicators are used in conjunction with performance targets, but most are not.
- d. No performance indicators are used in conjunction with performance targets.
- e. Not applicable/other (please comment).

Citation:

Implementation of Budget Announcements 2009-10 (February)
<http://indiabudget.nic.in/ub2009-10%28I%29/impbud/impbud.pdf>. Page # 1,2, 3,4 and so on.

Outcome Budget 2009-10, Ministry of Rural Development
http://www.rural.nic.in/budget/outcome_budget_rd_09-10.pdf

Comment:

Researcher Response to this Question was "c"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: The Medium-Term Fiscal Policy Statement 2009-10 provides targets for two years beyond the current budget year. This is only for four key fiscal indicators.

IBP Comment: IBP editors chose response "d" since performance indicators are not well designed.

d

<p>55. Does the executive's budget or any supporting budget documentation present information on policies (both proposals and existing commitments) in at least the budget year that are intended to benefit directly the country's most impoverished populations?</p> <p>a. Yes, extensive information on policies intended to alleviate poverty is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting the impact of key policies intended to alleviate poverty, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on policies intended to alleviate poverty is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Plan Outlay 2009-2010 http://www.indiabudget.nic.in/ub2009-10/eb/po.pdf, Page # 26</p> <p>Department of Rural Development, Union Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/sbe80.pdf, Page # 188, Major Heads 2501, 2505 etc.</p> <p><u>Comment:</u> Limited information is presented.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Citation: (1) Expenditure Budget, Vol. I. Part III. Plan Outlay, Page 25 (2) Expenditure Budget, Vol. 1, Statement 4, Page 15 (3) Expenditure Budget, Vol. II. Notes on Demand for Grants. Ministry of Labour and Employment. Demand No. 60, Page 150. (4) Expenditure Budget, Vol. II. Notes on Demand for Grants. Department of Rural Development. Demand No. 80, Page 180.</p>	<p>C</p>
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Additional Key Information for Budget Analysis & Monitoring	
<p><i>Please note that the questions in this section ask about information that is generally available to the public. The information need not be included in the executive's budget proposal or supporting documents, but may be found in other documents issued by the executive.</i></p>	
<p>56. Does the executive make available to the public a description of the tax rate or fee schedule for all revenue sources, including commercial projects involving the private sector?</p> <ol style="list-style-type: none"> a. Yes, extensive information on tax rates, fees, royalties and other revenues sources is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Memorandum 2009-10 http://www.indiabudget.nic.in/ub2009-10/memo.htm</p> <p>Finance Bill 2009-10 http://www.indiabudget.nic.in/ub2009-10/bill.htm</p> <p>Non-Tax Revenue 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/ntaxrev.pdf</p> <p><u>Comment:</u> Detailed information on tax rates is available. The availability and the level of detail for non-tax receipts is also satisfactory.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>57. Does the executive make available to the public an analysis of the distribution of the tax burden?</p> <ol style="list-style-type: none"> a. Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates. b. Yes, an analysis is presented, highlighting key aspects of the distribution, but some details are excluded. c. Yes, some analysis is presented, but it lacks important details. d. No analysis on the distribution of the tax burden is presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Finance Bill 2009-10 http://www.indiabudget.nic.in/ub2009-10/bill.htm</p> <p><u>Comment:</u> It is possible to draw inferences from the Finance Bill and its Memorandum (say, from information on tax exemption, tax slab). However, no separate statement on the distribution of the tax burden is presented.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> "d" is a correct response. The Finance Bill does not include any analysis of the distribution of the tax burden.</p>	d
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<p>58. Does the executive make available to the public an explanation of the conditions associated with assistance from international financial institutions (IFI)?</p> <p>a. Yes, extensive information on conditions associated with IFI assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality.</p> <p>b. Yes, information is presented, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on conditions associated with IFI assistance is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> External Assistance-Receipts and Repayments Country/Organization-wise 2009-10 http://www.indiabudget.nic.in/ub2009-10/rec/annex2.pdf</p> <p>Statement 4. General Terms and Conditions of External Loans http://aad.gov.in/Broucher/2007-2008/stmt4.pdf</p> <p>External Assistance Brochure 2006-07 http://aad.gov.in/brochure/2k07/index.htm</p> <p>India's External debt : A Status Report 2008-09 http://finmin.nic.in/the_ministry/dept_eco_affairs/economic_div/Indian%20External%20Debt09E.pdf</p> <p><u>Comment:</u> A number of documents are available that present conditions of external assistance. But most of them are not budget documents.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Citation: (1) Government of India, Ministry of Finance (Department of Economic Affairs) Aid Accounts and Audit Division. As on August 2008</p>	<p>a</p>
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<p>59. Does the executive make available to the public an explanation of the conditions associated with assistance from donor countries?</p> <ol style="list-style-type: none"> Yes, extensive information on conditions associated with donor country assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality. Yes, information is presented, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on conditions associated with donor country assistance is not presented. Not applicable/other (please comment). <p><u>Citation:</u> India's External Debt : A Status Report 2008-09 http://finmin.nic.in/the_ministry/dept_eco_affairs/economic_div/Indian%20External%20Debt09E.pdf</p> <p>External assistance Brochure 2006-07 http://aad.gov.in/brochure/2k07/index.htm</p> <p><u>Comment:</u></p> <p>Peer Reviewer One Comment: I agree. However, some of this information becomes available for most donor-supported programmes after a brief “cooling period” and such documents cannot be seen as a part of the budget.</p> <p>Peer Reviewer Two Comment: “c” is an appropriate response. Citation: (1) India’s External Debt. A Status Report 2008-09. Government of India, Ministry of Finance, Department of Economic Affairs, September 2009. Page 14, section 2.7 Concessional Debt. Only some information is presented, and it lacks important details on loan conditionalities.</p>	C
<p>60. Does the executive make available to the public a summary that describes the budget and its proposals?</p> <ol style="list-style-type: none"> Yes, it provides a summary that is very informative. Yes, it provides a summary that is somewhat informative. Yes, but the summary is not very informative. No, it does not provide a summary. Not applicable/other (please comment). <p><u>Citation:</u> Budget Speech 2009-10 http://www.indiabudget.nic.in/ub2009-10/bs/speecha.htm</p> <p>Budget At a Glance 2009-10 http://www.indiabudget.nic.in/ub2009-10/glance.htm</p> <p><u>Comment:</u></p> <p>Peer Reviewer One Comment:</p> <p>Peer Reviewer Two Comment:</p>	a

<p>61. Does the executive publish a "citizens budget" or some non-technical presentation intended for a wide audience that describes the budget and its proposals?</p> <p>a. Yes, it publishes a citizens budget that is very informative. b. Yes, it publishes a citizens budget that is somewhat informative. c. Yes, but the citizens budget is not very informative. d. No, it does not publish a citizens budget. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Budget Highlights 2009-10 :http://www.indiabudget.nic.in/ub2009-10/bh/bh1.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>62. Does the executive make available to the public non-technical definitions of terms used in the budget and other budget-related documents (for instance, in a glossary)?</p> <p>a. Yes, thorough definitions of budget terms are provided. b. Yes, definitions are provided, but some details are excluded. c. Yes, some definitions are provided, but it lacks important details. d. No, definitions are not provided. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Key to Budget 2009-10 http://www.indiabudget.nic.in/ub2009-10/keybud/keybud2009.htm</p> <p><u>Comment:</u> Apart from this document, all other documents contain notes and explanations for different items.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>63. Do citizens have the right <i>in law</i> to access government information, including budget information?</p> <ul style="list-style-type: none"> a. Yes, the right has been codified into law, and citizens are generally able in practice to obtain government information, including budget information. b. Yes, the right has been codified into law, but it is sometimes not possible for citizens in practice to obtain government information, including budget information. c. Yes, the right has been codified into law, but it is frequently or always impossible in practice to obtain access to government information, including budget information. d. No, the right to access government information has not been codified into law, or this right does not include access to budget information. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Apart from information on secret services, all other information including information for the budget is accessible by the public. The Right to Information Act (RTI) makes the process even easier. If it exists budget information should be available to the public although in certain cases, at the sub national level, the Right to Information is yet to be implemented in its true spirit. Please visit < http://persmin.nic.in/RTI/RTI-Act.pdf > for more details on the Act.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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64. Are citizens able in practice to obtain financial information on expenditures for individual programs in a format that is more highly disaggregated than that which appears in the executive's budget proposal if they request it (for example, from a ministry or agency)?

- a. In practice, highly disaggregated information is available to the public for all programs except those considered related to national security or military intelligence.
- b. In practice, highly disaggregated information is available to the public for programs representing at least two-thirds of, but not all, expenditures.
- c. In practice, highly disaggregated information is available to the public for programs representing less than two-thirds of expenditures.
- d. In practice, no highly disaggregated expenditure information is available.
- e. Not applicable/other (please comment).

Citation:

Department of Agriculture and Cooperation 2009-10
<http://www.indiabudget.nic.in/ub2009-10/eb/sbe1.pdf>

Ministry of Health & Family Welfare 2009-10
<http://www.mohfw.nic.in/DDG%202008-09/DDG%202008-09%20%20Link%20File.htm>

Detailed Demands for Grants, Ministry of Finance 2009-2010
<http://finmin.nic.in/reports/detaildg200910.pdf>

Comment:

Detailed program level information is provided in Expenditure Budget Vol. II and Demand for Grants of different ministries. However, most of the ministries have started publishing the demands for grants and posting it on their respective website. The above citations are just a few examples.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

a

65. Are citizens able in practice to obtain non-financial information related to expenditures (for example, number of beneficiaries, number of persons employed by the program, etc.) for individual programs in a format that is more highly disaggregated than that which appears in the executive's budget proposal if they request it from a ministry or agency?

- a. In practice, highly disaggregated non-financial information is available to the public for all programs except those considered related to national security or military intelligence.
- b. In practice, highly disaggregated non-financial information is available to the public for programs representing at least two-thirds of, but not all, expenditures.
- c. In practice, highly disaggregated non-financial information is available to the public for programs representing less than two-thirds of expenditures.
- d. In practice, no highly disaggregated non-financial expenditure information is available.
- e. Not applicable/other (please comment).

Citation:

Outcome Budget, 2009-10 Ministry of Finance
http://finmin.nic.in/the_ministry/dept_eco_affairs/budget/Outcome%20Budget2009-10.pdf

Outcome Budget, 2009-10, Department of Information Technology
<http://www.mit.gov.in/default.aspx?id=972>

Comment:

Outcome budgets are made public within 3/4 months after the budget presentation. These provide very handy non-financial information related to the current year's budget expenditures. Many programmes have their own websites that provide non financial information.

Peer Reviewer One Comment:

Peer Reviewer Two Comment: India does not have program budgets thus there is no information provided on the staff employed by the program, number of beneficiaries, etc. The outcome budget provides some information on policy objectives and output indicators, but outcome indicators are lacking. However, due to the Right To Information Act citizens could request and get disaggregated data for individual programs.

a

Section Three: The Budget Process

The Budget Process	
Executive's Formulation of the Budget	
<p>66. How far in advance of the release of the budget is the day of its release known?</p> <ol style="list-style-type: none"> The release date is set in permanent law. The executive announces the release date at least two months in advance. The executive announces the release date less than two months but more than two weeks in advance. The executive announces the release date two weeks or less before the release, or makes no announcement. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Although presentation of the budget date is not fixed by a law, conventionally, in India, the budget is presented on the last date of February (i.e. 28th or 29th). However, it might be changed in some special circumstances including the election, sudden fall of the ruling government etc. In these circumstances, a Vote on Account is presented in February followed by a full budget later in the year when the new government has taken office. So, the budget presentation date of any year is known to public even years before. So, "a" should be the appropriate answer although the date is not fixed by a law.</p> <p>The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>67. Does the executive release to the public its timetable for preparation of the executive's budget proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the ministry of finance or what ever central government agency is in charge of coordinating the budget's formulation)?</p> <p>a. Yes, a detailed timetable is released to the public. b. Yes, a timetable is released, but some details are excluded. c. Yes, a timetable is released, but it lacks important details. d. No, a timetable is not issued to the public. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Budget Circular 2009-10 http://finmin.nic.in/the_ministry/dept_eco_affairs/budget/budgetcircular2009-10.pdf</p> <p><u>Comment:</u> See page no 17, Section 11.2 of the budget circular cited above.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>68. Does the executive adhere to its timetable for the preparation and release of the budget?</p> <p>a. The executive adheres to the dates in its timetable. b. The executive adheres to most of the key dates in its timetable. c. The executive has difficulty adhering to most of the dates in its timetable. d. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Budget Circular 2009-10 http://finmin.nic.in/the_ministry/dept_eco_affairs/budget/budgetcircular2009-10.pdf</p> <p><u>Comment:</u> The closing dates are mandatory for each department.</p> <p><u>Peer Reviewer One Comment:</u> I agree. Apart from closing dates being mandatory, if the budget schedule is not followed by the executive, the executive does not have any legal basis to charge expenditure to the Consolidated Fund of India after the last date of the financial year (March 31) has passed. This ensures the executive's interest to present the budget to the Parliament on time each year.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a

69. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?

- a. Yes, the executive holds extensive consultations with a wide range of legislators.
- b. Yes, the executive holds consultations with a range of legislators, but some key members are excluded.
- c. Yes, the executive holds very limited consultations, involving only a few members of the legislature.
- d. No, the executive does not typically consult with members of the legislature as part of the budget preparation process.
- e. Not applicable/other (please comment).

Citation:

<http://164.100.47.132/LssNew/Committees/finacecommittee.aspx>

Comment:

The executive holds consultations with the standing committee members of the finance ministry. However, broad sectoral priorities are set by the Five Year Plans and the Annual Plans as suggested by the Planning Commission and the Finance Commission. Many underlying assumptions are made and broad priorities are set by the Budget Division in the Finance Ministry, and different financial committees of the parliament like (a) Estimates Committee, (b) the Public Accounts Committee and (c) the Public Undertakings Committee.

b

Researcher Response to this Question was "c"

Peer Reviewer One Comment: A more appropriate response would be "b" as relevant committees of the Parliament are consulted.

Peer Reviewer Two Comment:

Researcher Response: The FM usually seeks specific inputs from the Consultative Committee in a meeting convened for this purpose. A wide range of legislators also send in their inputs in the form of written VIP references which provide significant inputs for the budget particularly with respect to revenue proposals. Some key Ministers also personally meet with the FM for discussing their budget related suggestions. This is why I agree with peer reviewer one, and the answer must be changed to "b."

IBP Comment: IBP editors chose response "b" based on the researcher's response.

<p>70. Does the executive hold consultations with the public as part of its process of determining budget priorities?</p> <ul style="list-style-type: none"> a. Yes, the executive holds extensive consultations with a wide range of constituencies. b. Yes, the executive holds consultations with a range of constituencies, but some key constituencies are excluded. c. Yes, the executive holds very limited consultations, involving only a few constituencies. d. No, the executive does not typically consult with the public as part of the budget preparation process. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Consultations are limited to business houses, industry associations, chambers of commerce and occasionally, organized labor.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
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<p>71. When does the executive release a pre-budget statement to the public?</p> <ol style="list-style-type: none"> The executive releases a pre-budget statement at least four months in advance of the start of the budget year. The executive releases a pre-budget statement at least two months (but less than four months) in advance of the start of the budget year. The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year. The executive does not release a pre-budget statement. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> During consultation with two senior government officials (the Controller of Aid Accounts and Audit and the Director, Budget Division) of the Ministry of Finance, we were informed that pre-budget statements are not produced in India; not even for internal purposes.</p> <p>However, different ministries send their demands to the budget division of the Finance Ministry which compiles these demands to formulate the budget that is presented as a proposal on the last day of the month of February. Individual ministries however invite pre budget statements from line departments and other agencies.</p> <p>For an example, see the Pre-Budget Statement of the Ministry of Commerce http://www.commerce.nic.in/aboutus/budgetpdfs/pre-budget-proposal-2010-2011.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>72. Does the pre-budget statement describe the government’s macroeconomic and fiscal framework?</p> <ul style="list-style-type: none"> a. Yes, an extensive explanation of the government’s fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key aspects of the fiscal and macroeconomic framework, but some details are excluded. c. Yes, some explanation is presented, but it lacks important details. d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Same as question no. 71.</p> <p>However, there are some supporting budget documents that describe the government's macroeconomic and fiscal framework such as the Macro-Economic Framework Statement, Medium Term Fiscal Policy Statement and the Fiscal Policy Strategy Statement etc.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>73. Does the pre-budget statement describe the government’s policies and priorities that will guide the development of detailed estimates for the upcoming budget?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the government’s budget policies and priorities is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key aspects of the government’s budget policies and priorities, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Same as question no. 71.</p> <p>However, different ministries send their demands to the budget division of the Finance Ministry that compiles those demands to formulate the budget which is presented as a proposal on the last day of the month of February.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
Legislative Approval of the Budget	
<p>74. How far in advance of the start of the budget year does the legislature receive the budget?</p> <ol style="list-style-type: none"> The legislature receives the budget at least three months before the start of the budget year. The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year. The legislature receives the budget less than six weeks before the start of the budget year. The legislature does not receive the budget before the start of the budget year. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The legislators usually receive the budget document on the same day when the budget proposal is released at the end of February. This is less than six weeks (exactly one month) before the start of the budget year.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C

75. Does a legislative committee (or committees) hold public hearings on the macroeconomic and fiscal framework presented in the budget in which testimony from the executive branch and the public is heard?

- a. Yes, public hearings are held on the macroeconomic and fiscal framework in which testimony is heard from the executive branch and a wide range of constituencies.
- b. Yes, hearings are held in which testimony is heard from the executive branch and some constituencies.
- c. Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard.
- d. No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard.
- e. Not applicable/other (please comment).

Citation:

Finance Committee Reports

<http://164.100.47.132/LssNew/Committees/committeereport.aspx>

<http://164.100.24.207/committeereports/Finance/14ls51streport.pdf>

<http://164.100.24.207/committeereports/Finance/14ls53rdreport.pdf>

Comment:

These are the Finance Committee Reports of the 14th Lok Sabha. The reports of the newly formed 15th Lok Sabah are yet to be made public.

However, previous reports show that the meetings (not hearings) refer to macroeconomic and fiscal policy issues though they are not very focused.

Peer Reviewer One Comment:

Peer Reviewer Two Comment: India formed 17 departmentally related standing committees in April 1993. These committees (i) consider the demands for grants (ii) examine bills referred to them by the Chairman, Rajya Sabha, Speaker, or Lok Sabha (iii) consider annual reports, and (iv) consider national long term policy documents presented to the committee. The question hour in the Lok Sabha is open to the public and press. Therefore "c" is the correct response to this question.

C

<p>76. Do legislative committees hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the executive branch is heard?</p> <ul style="list-style-type: none"> a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the executive branch is heard. b. Yes, hearings are held, covering key administrative units, in which testimony from the executive branch is heard. c. Yes, a limited number of hearings are held in which testimony from the executive branch is heard. d. No, public hearings are not held on the budgets of administrative units in which testimony from the executive branch is heard. e. Not applicable/other (please comment). <p><u>Citation:</u> http://164.100.47.132/LssNew/Committees/depcomp.aspx</p> <p><u>Comment:</u> Please go to the "Reports" section after selecting specific departments. The budgets of specific Ministries/departments are called "Demand for Grants" in India. Please browse through different links for information on more ministries and departments.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<p>77. Does a legislative committee (or committees) hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the public is heard?</p> <ul style="list-style-type: none"> a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the public is heard. b. Yes, hearings are held, covering key administrative units, in which testimony from the public is heard. c. Yes, a limited number of hearings are held in which testimony from the public is heard. d. No, public hearings are not held on the budgets of administrative units in which testimony from the public is heard. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Some committees that can have an influence over the budget and the budget process such as the Planning Commission or National Advisory Council and so on invite members from civil society and academia. However, these people are only selected by the committees and are not necessarily the representatives of the public.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>78. Do the legislative committees that hold public hearings release reports to the public on these hearings?</p> <ul style="list-style-type: none"> a. Yes, the committees release very informative reports, which include all written testimony presented at the hearings. b. Yes, the committees release reports, but some details are excluded. c. Yes, the committees release reports, but they are not very informative. d. No, the committees do not release reports or do not hold public hearings. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> No public hearing is held. However, the Finance Minister holds limited consultations with the public and makes sporadic revelations (disclosures) of some proposals to assess public opinion on certain issues. For example, due to the ongoing economic crisis, before the budget presentation, the Finance Minister announced that a 'fiscal stimulus' package would be announced in the upcoming budget and there would be some cut in the customs and excise duties.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>79. Is the legislature (or the appropriate legislative committee or members of the legislature) given full information for the budget year on the spending of all secret items relating to, for instance, national security and military intelligence?</p> <p>a. Yes, the appropriate legislative committee or members of the legislature is provided extensive information on all spending on secret items, which includes detailed, line item descriptions of all expenditures.</p> <p>b. No, the legislature is provided information on spending on secret items, but some details are excluded, or some categories are presented in an aggregated manner, or the legislature is provided no information on secret items.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> During discussion with a few Members of Parliament, we were informed that the expenditure on secret items related to national security and military intelligence is not revealed even to the legislators. However, according to their perceptions, the figure is around 8 percent of the total budget.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>80. Does the legislature have authority <i>in law</i> to amend the budget presented by the executive?</p> <p>a. Yes, the legislature has unlimited authority <i>in law</i> to amend the budget.</p> <p>b. Yes, the legislature has authority <i>in law</i> to amend the budget, with some limitations.</p> <p>c. Yes, the legislature has authority <i>in law</i> to amend the budget, but its authority is very limited.</p> <p>d. No, the legislature does not have any authority <i>in law</i> to amend the budget.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> The legislature, by virtue of the Constitution of India, has not been empowered to play a significant role in the amendment procedure of the budget presented by the executive. It has only fourteen days to discuss and deliberate upon the broad contours of the budget.</p> <p>For more details, please see the text of the Article 113 of the Indian Constitution below for expenditure matters and the text of Articles 109 and 110 as regards to the Finance Bill.</p> <p>http://india.gov.in/govt/constitutions_india.php</p>	b

Article 113 Procedure in Parliament with respect to estimates:

1. So much of the estimates as relates to expenditure charged upon the Consolidated Fund of India shall not be submitted to the vote of Parliament, but nothing in this clause shall be construed as preventing the discussion in either House of Parliament of any of those estimates.
2. So much of the said estimates as relates to other expenditure shall be submitted in the form of demands for grants to the House of the People, and the House of the People shall have power to assent, or to refuse to assent, to any demand, or to assent to any demand subject to a reduction the amount specified therein.
3. No demand for a grant shall be made except on the recommendation of the President.

Researcher Response to this Question was "b"

Peer Reviewer One Comment: A more appropriate response to this question would be "a" as the only sections of the budget that cannot be amended relate to expenditures "charged" to the Consolidated Fund of India under Article 113 (3). Article 113(2) cited above by the researcher makes it clear that the House of the People can make amendments to the budget proposed. Only expenditures chargeable to the Consolidated Fund of India but which cannot be amended by the Parliament under Article 114(2) are those relating to constitutional functionaries, but "nothing ... shall be construed as preventing the discussion in either House of Parliament of any of those estimates" (Article 113 (1)). This scheme ensures that constitutional functionaries/ bodies such as the President, the Supreme Court of India, the Union Public Service Commission, the High Courts, the Election Commission, etc are not beholden to the executive or legislature for meeting their expenses and can therefore, function impartially; and not to limit the legislature's powers to amend the budget to amend the budget.

Peer Reviewer Two Comment: Based on the above citation the legislature has the authority by law only to amend, refuse, or accept a demand for grant from the various ministries. A more appropriate response to this question would be "c."

Researcher Response: I agree with the peer reviewer one. The answer should be changed to "a."

IBP Comment: IBP editors chose response "b" since there are some limitations on the legislature's authority to amend the budget.

<p>81. What is the most detail provided in the appropriation (expenditure budget) approved by the legislature?</p> <ol style="list-style-type: none"> The approved budget includes program-level detail. The approved budget includes departmental totals and some additional details (for instance, sub-department totals or major programs). The approved budget includes only departmental totals. The approved budget includes less information than departmental totals or the approved budget is not released to the public. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> In practice, apart from some minor revenue (taxes and fees) proposals, the entire budget is approved by the legislature in the same format as the executive's budget proposal, i.e., programme level details provided in the budget proposal are also approved simultaneously.</p> <p><u>Researcher Response to this Question was "a"</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> India does not prepare program (and sub-program) budgets. Information is provided mostly for departments and in some cases sub-departments or major programs. A more appropriate response to this question would be "b."</p> <p><u>Researcher Response:</u> In the Expenditure Budget Vol. 2, under every demand of the individual Ministry/ Departments, programme level data are available. For an instance, in the demand of the Department of Rural Development (http://indiabudget.nic.in/ub2009-10/eb/sbe80.pdf) programme level details are available. This data is presented in the Parliament and it is mandatory that it be approved in the Parliament. So, I think "a" should be the correct answer.</p> <p><u>IBP Comment:</u> IBP editors chose response "a" based on the researcher's response and comment.</p>	a
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Executive's Implementation of the Budget	
<p>82. How often does the executive release to the public in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ol style="list-style-type: none"> In-year reports on actual expenditure are released at least every month. In-year reports on actual expenditure are released at least every quarter. In-year reports on actual expenditure are released at least semi-annually. In-year reports on actual expenditure are not released. Not applicable/other (please comment). <p><u>Citation:</u> Government of India, Union Government Accounts, At a Glance, As At the End of July 2009 http://cga.nic.in/html/data0907.Htm</p> <p><u>Comment:</u> The in-year reports are not fully consistent with economic, functional and administrative classifications, but are published at the end of each month. The reports cover monthly data. For example, in the above citation, we have information till July 2009.</p> <p><u>Researcher Response to this Question was "a"</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> The cited monthly accounts of the Union Government are prepared by the Controller General of Accounts. The monthly accounts for December 2009 are already available. However, given that there are delays in publication, a more appropriate response to this question would be "b."</p> <p><u>Researcher Response:</u> In practice, the report for a month is usually released by the CGA on its website cga.nic.in on the last working day of the subsequent month. There might be some delay in case of unusual circumstances. Otherwise, it is released regularly. So, I think "a" is the most appropriate answer.</p> <p><u>IBP Comment:</u> IBP editors chose response "a" based on the researcher's response and comment.</p>	a

<p>83. What share of expenditure is covered by in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ol style="list-style-type: none"> Yes, in-year reports cover all expenditures. Yes, in-year reports cover at least two-thirds, but not all, of expenditures. Yes, in-year reports cover less than two-thirds of expenditures. No in-year reports are released to the public. Not applicable/other (please comment). <p><u>Citation:</u> Government of India, Union Government Accounts, At a Glance, As At the End of July 2009 http://cga.nic.in/html/data0907.Htm</p> <p><u>Comment:</u> Even though the in-year reports are not very consistent with the regular format of functional and economic classifications, they cover all the government expenditures.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>84. What is the most detail provided in the in-year reports on actual expenditures organized by <i>administrative unit</i>?</p> <ol style="list-style-type: none"> The in-year reports on actual expenditures organized by administrative unit contain program-level detail. The in-year reports on actual expenditures organized by administrative unit contain departmental totals and some additional details (for instance, sub-department totals or major programs). The in-year reports on actual expenditures organized by administrative unit contain only departmental totals. The in-year reports on actual expenditures organized by administrative unit are not released to the public, not produced, or contain less information than departmental totals. Not applicable/other (please comment). <p><u>Citation:</u> Government of India, Union Government Accounts, At a Glance, As At the End of July 2009 http://cga.nic.in/html/data0907.Htm</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c

<p>85. Do the in-year reports released to the public compare actual year-to-date expenditure with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?</p> <ol style="list-style-type: none"> Yes, comparisons are made for all expenditures. Yes, comparisons are made for at least two-thirds, but not all, of expenditures. Yes, but comparisons are made for less than two-thirds of expenditures. No, comparisons are not made, or no in-year reports are released to the public. Not applicable/other (please comment). <p><u>Citation:</u> Government of India, Union Government Accounts, At a Glance, As At the End of July 2009 http://cga.nic.in/html/data0907.Htm</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>86. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?</p> <ol style="list-style-type: none"> In-year reports on actual revenue collections by source of revenue are released at least every month. In-year reports on actual revenue collections are released at least every quarter. In-year reports on actual revenue collections are released at least semi-annually. In-year reports on actual revenue collections by source of revenue are not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Government of India, Union Government Accounts, At a Glance, As At the End of July 2009 http://cga.nic.in/html/data0907.Htm</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>87. What share of revenue is covered by the in-year reports on actual revenue collections?</p> <ol style="list-style-type: none"> a. In-year reports cover the actual revenue collections of all sources of revenue. b. In-year reports cover the actual revenue collections of at least two-thirds of, but not all, sources of revenue. c. In-year reports cover actual revenue collections of less than two-thirds of revenue sources. d. In-year reports on actual revenue collections are not released to the public. e. Not applicable/other (please comment). <p><u>Citation:</u> Government of India, Union Government Accounts, At a Glance, As At the End of July 2009 http://cga.nic.in/html/data0907.Htm</p> <p><u>Comment:</u> Information on debt creating capital receipts are presented in other documents released by the Ministry of Finance. Please visit: http://finmin.nic.in/stats_data/central_govt_borrowings/index.html;</p> <p>This information is also released by the reserve Bank of India (RBI) on a weekly basis. Please visit: http://www.rbi.org.in/scripts/WSSViewDetail.aspx?TYPE=Section&PARAM1=18</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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88. Do the in-year reports released to the public compare actual year-to-date revenue collections with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

- a. Yes, comparisons are made for all revenue sources.
- b. Yes, comparisons are made for at least two-thirds of, but not all, revenue sources.
- c. Yes, but comparisons are made for less than two-thirds of revenue sources.
- d. No, comparisons are not made, or no in-year reports are released to the public.
- e. Not applicable/other (please comment).

Citation:

Government of India, Union Government Accounts, At a Glance, As At the End of July 2009
<http://cga.nic.in/html/data0907.Htm>

Comment:

The information on debt creating capital receipts are presented in other documents released by the Ministry of Finance. Please visit:
http://finmin.nic.in/stats_data/central_govt_borrowings/index.html;

This information is also released by the Reserve Bank of India (RBI) on a weekly basis. Please visit:
<http://www.rbi.org.in/scripts/WSSViewDetail.aspx?TYPE=Section&PARAM1=18>

a

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: Only actual aggregate tax and non-tax information is released-revenue collections by source of revenue are not included.

Researcher Response: The in-year reports released to the public compare actual year-to-date revenue collections with the same period in the previous year. See the following link under the above citation (<http://www.cga.nic.in/html/DTL30910.HTM>). So, the answer should remain as I indicated in the questionnaire "a."

IBP Comment: IBP editors chose response "a" as per the researcher's response.

<p>89. Does the executive release to the public in-year reports on actual borrowing?</p> <ul style="list-style-type: none"> a. Yes, in-year reports on actual borrowing are released at least every month. b. Yes, in-year reports on actual borrowing are released at least every quarter. c. Yes, in-year reports on actual borrowing are released at least semi-annually. d. No, in-year reports on actual borrowing are not released. e. Not applicable/other (please comment). <p><u>Citation:</u> Central Government Borrowings, Ministry of Finance http://finmin.nic.in/stats_data/central_govt_borrowings/index.html</p> <p>Weekly Statistical Supplement, Reserve Bank of India http://www.rbi.org.in/scripts/WSSViewDetail.aspx?TYPE=Section&PARAM1=18</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<p>90. Do in-year reports released to the public on actual borrowing present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, and currency denomination of the debt) for the budget year?</p> <ol style="list-style-type: none"> a. Yes, extensive information related to the composition of government debt is presented. b. Yes, key additional information is presented, but some details are excluded. c. Yes, some additional information is presented, but it lacks important details. d. No, additional information related to the composition of government debt is not presented, or such in-year reports on borrowing are not released. e. Not applicable/other (please comment). <p><u>Citation:</u> Quarterly Central Government Borrowings, Ministry of Finance http://finmin.nic.in/stats_data/central_govt_borrowings/index.html</p> <p>Weekly Statistical Supplement, Reserve Bank of India http://www.rbi.org.in/scripts/WSSViewDetail.aspx?TYPE=Section&PARAM1=18</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>
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91. For in-year reports on actual expenditure released to the public by the executive, how much time typically elapses between the end of the reporting period and when the report is released (e.g., are quarterly reports released less than 4 weeks after the end of the quarter)?
- a. Reports are released 1 month or less after the end of the period.
 - b. Reports are released 2 months or less (but more than 1 month) after the end of the period.
 - c. Reports are released more than 2 months after the end of the period.
 - d. In-year reports are not released.
 - e. Not applicable/other (please comment).

Citation:

Government of India, Union Government Accounts, At a Glance, As At the End of July 2009
<http://cga.nic.in/html/data0907.Htm>

Comment:

Researcher Response to this Question was "b"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: According to question 82, the monthly reports are sometimes produced with a 2-3 month lag. A more appropriate response to this question would be "c."

Researcher Response: In practice, the report for a month is usually released by the CGA on its website cga.nic.in on the last working day of the subsequent month except for any unusual circumstances. So, considering the regular practices, I think "a" is the most appropriate answer.

IBP Comment: IBP editors chose response "c" since there is a lag of more than 2 months after the end of the reporting period.

C

<p>92. Does the executive release to the public a mid-year review of the budget that discusses the changes in economic outlook since the budget was enacted?</p> <ul style="list-style-type: none"> a. Yes, the mid-year review includes an extensive discussion of the economy that includes a revised forecast for the full fiscal year and its effects on the budget. b. Yes, the mid-year review includes a discussion of the economy, but it lacks some details. c. Yes, the mid-year review includes a discussion of the economy, but it lacks important details. d. No, the mid-year review does not include a discussion of the economy, or the executive does not release a mid-year review of the budget. e. Not applicable/other (please comment). <p><u>Citation:</u> Mid Year Review 2008-2009 (December 2008) http://www.finmin.nic.in/reports/MYREnglish0809.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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93. Does the executive release to the public a mid-year review of the budget that includes updated expenditure estimates for the budget year underway?

- a. Yes, the mid-year review includes updated expenditure estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels.
- b. Yes, the mid-year review includes updated estimates of expenditure, but some details on why estimates have changed are not provided.
- c. Yes, the mid-year review includes updated estimates of expenditure, but important details on why estimates have changed are not provided.
- d. No, the mid-year review does not include updated expenditure estimates for the budget year, or the executive does not release a mid-year review of the budget.
- e. Not applicable/other (please comment).

Citation:

Mid Year Review 2008-2009 (December 2008)
<http://www.finmin.nic.in/reports/MYREnglish0809.pdf>

Comment:

Details of updated expenditure estimates are presented in this document. For example, Page # 52, Table 2.1 provides the updated expenditure figures.

The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

IBP Comment: IBP editors chose response "b" because updated estimates are not provided.

b

94. What is the most detail provided in the mid-year review for expenditures?

- a. The mid-year review includes program-level detail for expenditures.
- b. The mid-year review includes departmental totals (or functional totals) and some additional details (for instance, sub-department totals or major programs).
- c. The mid-year review includes only departmental totals (or functional totals).
- d. The mid-year review includes less information than departmental totals (or functional totals) for expenditures, or the executive does not release a mid-year review of the budget.
- e. Not applicable/other (please comment).

Citation:

Mid Year Review 2008-2009 (December 2008)
<http://www.finmin.nic.in/reports/MYREnglish0809.pdf>

Comment:

See Page # 75 to 93, Annex I
The midyear review is comprehensive since it includes the macro economic outlook as well as programme level details.

The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.

b

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: The Mid Year Review provides information for Ministries and Departments only, not by programs, A more appropriate response to this question would be "b."

Researcher Response: See the Page # 75 to 93 of the Cited document. It gives details of selected programmes like Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY), Sarva Shiksha Abhiyan (SSA) Model School Programme, Mid-day Meal Scheme (page # 76), National Rural Health Mission (Page # 77), National Aids Control Programme (page # 77), Rashtriya Swasthya Bima Yojana (Page # 78). Information on some other programmes are also available. However, the information presented does not cover all programmes. So, I think a more appropriate answer would be "b."

IBP Comment: IBP editors chose response "b" as per the researcher's response.

95. Does the executive release to the public a mid-year review of the budget that includes updated revenue estimates for the budget year underway?

- a. Yes, the mid-year review includes updated revenue estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels.
- b. Yes, the mid-year review includes updated estimates of revenue, but some details on why estimates have changed are not provided.
- c. Yes, the mid-year review includes updated estimates of revenue, but important details on why estimates have changed are not provided.
- d. No, the mid-year review does not include updated revenue estimates for the budget year, or the executive does not release a mid-year review of the budget.
- e. Not applicable/other (please comment).

Citation:

Mid Year Review 2008-2009 (December 2008)
<http://www.finmin.nic.in/reports/MYREnglish0809.pdf>, Page # 52- 55

Comment:

The mid year review includes updated revenue estimates for the full fiscal year.

The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

IBP Comment: IBP editors chose response "b" because revenue estimates for the subsequent 6 months are not projected.

b

96. Does the executive seek input from the legislature when the executive shifts funds between administrative units (except when the amounts are below a certain *minimal* level specified in law or regulation)?
- Yes, the executive seeks approval from the legislature before shifting funds between administrative units.
 - Yes, the executive gives prior notification to the legislature before shifting funds, giving the legislature an opportunity to block or modify the proposed adjustment.
 - Yes, the executive seeks legislative approval, but only after the shift of funds has been implemented.
 - No, the executive shifts funds between administrative units without seeking input from the legislature, or the amount allowed under the law or by regulation is significantly large enough to undermine public scrutiny and accountability (please describe arrangements below).
 - Not applicable/other (please comment).

Citation:

Comment:

Before presenting final budget in Parliament, the budget is only discussed and approved by the executives (Council of Ministers). In practice, any sort of diversion of funds from one administrative unit to other is decided by the Council of Ministers and the decision regarding diversion of funds has nothing to do with the legislature.

However, in case of emergencies, the government draws resources from the contingency fund and in the subsequent legislative session, the government seeks legislative approval for refunding the contingency fund from the consolidated fund to the extent that resources were drawn from the fund.

The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.

Researcher Response to this Question was "d"

Peer Reviewer One Comment: A more appropriate response to this question would be "b" as reallocation between departments after the budget has been approved requires legislative approval, which is often obtained in the form of supplementary demands. In addition to this, the executive can draw upon the Contingent Fund of India for meeting emergency expenditures without prior parliamentary approval.

Peer Reviewer Two Comment:

Researcher Response: I completely agree with the reviewer. The answer should be changed to "b."

IBP Comment: IBP editors chose response "c" because the Excess Demand for Grants are presented before Parliament after the Government has incurred any expenditure which is in excess of the amount authorized in the original Budget after the financial year has ended.

C

97. During the past year, have there been credible reported instances in which the procurement of goods and services has not followed an open and competitive process in practice?

- a. There were no credible reported instances of procurement failing to follow an open and competitive process in practice during the past year.
- b. The procurement of goods and services frequently followed an open and competitive process in practice, but there were some reported instances of irregularities.
- c. The procurement of goods and service followed an open and competitive process in many instances, but there were significant reported examples of irregularities.
- d. No, the procurement process was not open and competitive in practice.
- e. Not applicable/other (please comment).

Citation:

CAG Reports, Performance Audits 2009

http://www.cag.gov.in/html/reports/civil/2009_30AB_PA/chap_4.pdf

http://www.cag.gov.in/html/reports/commercial/2009_27PA/chap_9.pdf

http://www.cag.gov.in/html/reports/civil/2009_29AB_PA/chap_4.pdf

CAG Reports, Performance Audits 2008

<http://www.cag.gov.in/html/reports/PA2008.htm>

Newspaper links:

<http://www.business-standard.com/india/news/financial-irregularities-worth-rs-1548-cr-in-telecom-psus-cag/363873/>

<http://www.financialexpress.com/news/psus-hit-out-at-cag-report-on-financial-irregularities/497522/>

<http://www.hinduonnet.com/2008/01/13/stories/2008011359700800.htm>

Comment:

Most audit reports present the view that government agencies deviate from rules. The Performances Audit Reports of 2009 and 2008 made public a wide range of irregularities of Government Ministries/Departments. Sometimes such irregularities are also highlighted in the leading newspapers.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

C

98. When does the legislature typically approve supplemental budgets?

- a. Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify).
- b. Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify).
- c. Not applicable/other (please comment).

Citation:

Comment:

In the interview with MPs, we were informed that except the case of emergency, supplemental budgets are approved before the funds are expended.

In the constitution, the rules for supplemental budgets are as follows: Supplemental budgets are presented and approved in the following cases:

- 1. If the executive does not have a full financial year in its term;
- 2. If the executive announces new fiscal plans in the middle of a budget year; or
- 3. In case of emergencies.

Article 115 of the Constitution of India relating to supplementary grants states that: "115. Supplementary, additional or excess grants.—

(1) The President shall— (a) if the amount authorized by any law made in accordance with the provisions of article 114 to be expended for a particular service for the current financial year is found to be insufficient for the purposes of that year or when a need has arisen during the current financial year for supplementary or additional expenditure upon some new service not contemplated in the annual financial statement for that year, or (b) if any money has been spent on any service during a financial year in excess of the amount granted for that service and for that year, cause to be laid before both the Houses of Parliament another statement showing the estimated amount of that expenditure or cause to be presented to the House of the People a demand for such excess, as the case may be.

(2) The provisions of articles 112, 113 and 114 shall have effect in relation to any such statement and expenditure or demand and also to any law to be made authorizing the appropriation of moneys out of the Consolidated Fund of India to meet such expenditure or the grant in respect of such demand as they have effect in relation to the annual financial statement and the expenditure mentioned therein or to a demand for a grant and the law to be made for the authorization of appropriation of moneys out of the Consolidated Fund of India to meet such expenditure or grant."

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

a

99. In most years, how large are supplemental budget requests relative to the size of the original budget?

- a. Supplemental budgets are generally equal to 2 percent or less of the original budget.
- b. Supplemental budgets are generally equal to more than 2 percent, but less than 5 percent, of the original budget.
- c. Supplemental budget are generally equal to more than 5 percent, but less than 10 percent, of the original budget.
- d. Supplemental budget are generally equal to 10 percent or more of the original budget, or insufficient information is available to the public regarding the amount of supplemental budgets.
- e. Not applicable/other (please comment).

Citation:

Supplementary Demand for Grants 2009-10

http://www.finmin.nic.in/the_ministry/dept_eco_affairs/budget/1stSupDemGrant0910.pdf

Comment:

The above citation is the notification of the First Supplementary Demands for Grants, which will be tabled in the forthcoming Winter Session of the Parliament. So, for the year 2009-10, it is still not possible to calculate the amount of the Supplementary Budget.

However, if we consider the Financial Year 2008-09, there were three Supplementary Demands for Grants for the Budget 2008-09, and together these accounted for around 21.2 percent of the original budget proposed in 2008-09.

The Comptroller and Auditor-General of India (CAG) Report (Civil) 2007 (See page 145) shows that the share of supplementary budget was 27 %, 28% and 44% of the respective original budgets during three consecutive years preceding 2006-07.

http://www.cag.gov.in/html/reports/civil/2007_13_reg/contents.htm

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

d

100. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?

- a. Expenditures are approved before the funds are expended, or contingency funds or other funds with no specific purposes are not included in the budget.
- b. Expenditures are approved after the funds are expended, but before the end of the fiscal year.
- c. Expenditures are approved after the end of the fiscal year, for example in the next budget.
- d. Such expenditure takes place without legislative approval.
- e. Not applicable/other (please comment).

Citation:

The Constitution of India

http://india.gov.in/govt/documents/english/coi_part_full.pdf

Part XII.—Finance, Property, Contracts and Suits.— Arts. 267-268
(see page no. 161)

Comment:

Expenditures are approved after the funds are expended, but before the end of the fiscal year.

Refer to Arts. 267 of the Indian Constitution, which states that:
"Contingency Fund — (1) Parliament may by law establish a Contingency Fund in the nature of an imprest to be entitled "the Contingency Fund of India" into which shall be paid from time to time such sums as may be determined by such law, and the said Fund shall be placed at the disposal of the President to enable advances to be made by him out of such Fund for the purposes of meeting unforeseen expenditure pending authorisation of such expenditure by Parliament by law under article 115 or article 116."

b

Researcher Response to this Question was "b"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: According to the above citation the President can acquire funds from the Contingency Fund pending authorization of such expenditure by the Parliament. This implies that expenditures have to be approved before the funds are expended. A more appropriate response to this question would be "a."

Researcher Response: The size of the Contingency Fund of India is only Rs. 500 crore (which is very small compared to the size of the budget) and the Rules for drawing down the Contingency Fund clearly indicate that the Fund shall be used as an imprest for "contingencies" not envisaged in the Parliamentary authorization (e.g. court decrees, calamities, etc.). However, expenditures from the Contingency Fund of India are approved after the funds are expended, but before the end of the fiscal year. This amount is recouped in the next Supplementary Demand for Grants wherein the underlying expenditure is also ratified. I think a more appropriate answer would be "b."

IBP Response: IBP chose response "b" as per the researcher's comment.

Executive's Year-end Report and the Supreme Audit Institution	
<p>101. How long after the end of the budget year does the executive release to the public a year-end report that discusses the budget's actual outcome for the year?</p> <ol style="list-style-type: none"> The report is released six months or less after the end of the fiscal year. The report is released 12 months or less (but more than six months) after the end of the fiscal year. The report is released more than 12 months after the end of the fiscal year. The executive does not release a year-end report. Not applicable/other (please comment). <p><u>Citation:</u> Union Government Appropriation Accounts (Civil) 2007-08 http://cga.nic.in/appn_accounts/appn_accounts0708/appn_accounts0708.htm</p> <p><u>Comment:</u> These year-end reports are released by the Controller General of Accounts, Ministry of Finance more than 12 months after the end of the fiscal year. Although these are certified by the Supreme Audit Institution, these are year-end reports- not audit reports.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C
<p>102. In the year-end report have the data on the actual outcomes been audited?</p> <ol style="list-style-type: none"> Yes, all data on actual outcomes have been audited. At least two-thirds, but not all, of the data on actual outcomes have been audited. Less than two-thirds of the data on actual outcomes have been audited. None of the data on actual outcomes has been audited, or a year-end report is not released. Not applicable/other (please comment). <p><u>Citation:</u> Union Government Appropriation Accounts (Civil) 2007-08 http://cga.nic.in/appn_accounts/appn_accounts0708/appn_accounts0708.htm</p> <p><u>Comment:</u> All data on actual outcomes in the year-end reports are audited.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

103. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?

- a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
- c. Yes, some explanation is presented, but it lacks important details.
- d. No, an explanation is not presented, or such a report is not released.
- e. Not applicable/other (please comment).

Citation:

Union Government Appropriation Accounts (Civil) 2007-08

http://cga.nic.in/appn_accounts/appn_accounts0708/appn_accounts0708.htm

Comment:

During discussion with a senior official from Indian Audit & Accounts Service, we were informed that an extensive explanation of the differences between enacted levels and the actual outcome for expenditures is presented.

The report by the Comptroller and Auditor General of India (CAG) also presents information on differences between enacted and actual expenditures. But this is an audit report.

b

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: Detailed quantitative explanations are not provided. The outcome budget also focuses primarily on outputs rather than outcomes. A more appropriate response to this question would be "b."

Researcher Response: Please see chapter 8 of the following document (page # 118-119 and 125-126). Union Audit Reports (Accounts of the Union Government) (Compliance Audit - Report No. 13 of 2009) 2007-08 http://www.cag.gov.in/html/reports/civil/2007-08_CA13_civil/contents.htm It provides some explanation of the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures. So, I think this citation must be added. And I agree with the reviewer that the answer should be changed to "b."

IBP Comment: IBP editors chose response "b" as per the researcher's comment.

104. What level of detail is the focus of the explanation of the differences between the enacted levels and the actual outcome for expenditures presented in the year-end report?

- a. The explanation of the differences between the enacted expenditure levels and the actual outcome focuses on the program level.
- b. The explanation focuses on departmental totals (or functional totals) or some lower level of detail (but not the program level in all cases).
- c. The explanation focuses on a higher level of aggregation than departmental totals (or functional totals).
- d. No explanation of the differences is provided, or such a report is not released.
- e. Not applicable/other (please comment).

Citation:

Union Government Appropriation Accounts (Civil) 2007-08
http://cga.nic.in/appn_accounts/appn_accounts0708/appn_accounts0708.htm

Comment:

In consultation with a senior official from Indian Audit & Accounts Service, we were informed that the explanation of the differences between the enacted expenditure levels and the actual outcome focuses on the program level.

Information in this regard is also available in the cited document.

b

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: Explanations are provided for departments not programs. A more appropriate response to this question would be "b."

Researcher Response: The above cited document provides Ministry/department-wise information. Program level information for any Ministry or Department is also available (see for example http://cga.nic.in/appn_accounts/appn_accounts0708/Grant1.pdf under the above citation). Also, please refer to chapter 8 of the following document (page # 125-126). Union Audit Reports (Accounts of the Union Government) (Compliance Audit - Report No. 13 of 2009) 2007-08 http://www.cag.gov.in/html/reports/civil/2007-08_CA13_civil/contents.htm. It provides some explanation of the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures of programme level. So, I think these two documents give some information. I agree with the reviewer that the answer should be changed to "b."

IBP Comment: IBP editors chose response "b" as per the researcher's comment.

<p>105. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?</p> <ul style="list-style-type: none"> a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key differences, but some details are excluded. c. Yes, some explanation is presented, but it lacks important details. d. No, an explanation is not presented, or such a report is not released. e. Not applicable/other (please comment). <p><u>Citation:</u> Union Government, Finance Accounts 2007-2008 http://cga.nic.in/f_accounts/f_accounts0708/finance_accounts0708.htm</p> <p><u>Comment:</u> This Finance Account (a year end report), released by the Controller General of Accounts, Ministry of Finance, provides extensive information regarding the difference between the enacted levels and the actual outcome for revenues.</p> <p>The Supreme Audit Institution also presents detailed narratives regarding the Central Government Accounts, but these are included in audit reports.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<p>106. Does the year-end report explain the difference between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> As the Economic Survey presents the overall economic performances of the previous year and is released at the end of the fiscal year, in the broader sense, it could be considered as a Year-end report. This report provides some explanation regarding the difference between the original macroeconomic forecast for the fiscal year and the actual outcome for that year. So, in my consideration, "c" is the most appropriate answer.</p> <p>The presentation [or practice] is similar to that in the previous period, but researcher reassessment has led to a change in the response.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C
<p>107. Does the year-end report explain the difference between the original estimates of non-financial data and the actual outcome?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> This kind of analysis is not presented.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> The outcome budgets produced by each ministry do not have measurable outcome indicators. Nor are there any baselines and comparisons of targets to actual performance. Mostly annual output targets are provided, but there is no analysis of meeting previous targets.</p>	d

<p>108. Does the year-end report explain the difference between the original performance indicators and the actual outcome?</p> <ul style="list-style-type: none"> a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key differences, but some details are excluded. c. Yes, some explanation is presented, but it lacks important details. d. No, an explanation is not presented, or such a report is not released. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Such analysis is not presented.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>109. Does the year-end report explain the difference between the enacted level of funds intended to benefit directly the country’s most impoverished populations and the actual outcome?</p> <ul style="list-style-type: none"> a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key differences, but some details are excluded. c. Yes, some explanation is presented, but it lacks important details. d. No, an explanation is not presented, or such a report is not released. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Such analysis is not presented.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>110. Does the year-end report present the actual outcome for extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, extensive information on the actual outcome for extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key issues, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information is not presented on extra-budgetary funds, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Such an analysis is not presented.</p> <p>The most detailed information on extra-budgetary resources apart from the audit reports are only presented in aggregate form by different agencies and not the Supreme Audit Authorities. Please refer to the links below.</p> <p>Budgetary Transactions of the Central and State Governments and Union Territories, Economic Survey 2008-09 http://indiabudget.nic.in/es2008-09/chapt2009/tab22.pdf</p> <p>Inferences can be drawn from the Expenditure Budget Vol. II (Section C of the Demand for each Ministry) and Annual Financial Statement on extra-budgetary funds and there is a general comparison between the estimates and the revised estimates.</p> <p>Expenditure Budget, Vol. II, 2009-10 http://www.indiabudget.nic.in/ub2009-10/eb/vol2.htm</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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The Independence and Performance of the Supreme Audit Institution	
<p>111. How long after the end of the fiscal year are the final annual expenditures of national departments audited and (except for secret programs) released to the public?</p> <ol style="list-style-type: none"> a. Final audited accounts are released to the public six months or less after the end of the fiscal year. b. Final audited accounts are released 12 months or less (but more than six months) after the end of the fiscal year. c. Final audit accounts are released more than 12 months, but within 24 months of the end of the fiscal year. d. Final audited accounts are not completed within 24 months after the end of the fiscal year or they are not released to the public. e. Not applicable/other (please comment). <p><u>Citation:</u> Audit Reports 2009 http://www.cag.gov.in/html/reports/2009.htm</p> <p><u>Comment:</u> In the reports that have been released in 2009, the latest available account is for the year 2007-08.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C

<p>112. Two years after the completion of a fiscal year, what percentage of annual expenditures has been audited and (except for secret programs) the report(s) released to the public?</p> <ul style="list-style-type: none"> a. All expenditures have been audited and the reports released to the public. b. Expenditures representing at least two-thirds of, but not all, expenditure have been audited. c. Expenditure representing less than two-thirds of expenditure have been audited. d. No expenditures have been audited, the reports have not been released to the public, or was released more than 24 months after the end of the fiscal year. e. Not applicable/other (please comment). <p><u>Citation:</u> Audit Reports 2009</p> <p>Performance Audit http://www.cag.gov.in/html/reports/PA2009.htm</p> <p>Regulatory /Compliance Audit http://www.cag.gov.in/html/reports/2009.htm</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<p>113. Does the annual audit report(s) that is released to the public include an executive summary?</p> <ul style="list-style-type: none"> a. The annual audit report(s) includes one or more executive summaries summarizing the report's content. b. No, the audit report(s) does not include an executive summary, or such reports are not released to the public, or was released more than 24 months after the end of the fiscal year. c. Not applicable/other (please comment). <p><u>Citation:</u> Comptroller and Auditor General http://www.cag.gov.in/</p> <p>http://www.cag.gov.in/html/reports/civil/2007-08_CA13_civil/highlights.pdf</p> <p>http://www.cag.gov.in/html/reports/civil/2009_29AB_PA/summary.pdf</p> <p><u>Comment:</u> All reports have either an executive summary, an overview of the report or a 'highlights' section in all its reports.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Citation: (1) The CAG compliance / regularity reports have overviews; the performance audits have executive summaries. (2) The CGA Union Government Appropriation Accounts (Civil) 2007-2008 does not include an executive summary, it has a summary table. The CGA Union Government Finance Accounts 2007-2008 has an introductory statement, but it is more of a glossary with explanation of the different heads of accounts, definition etc. It is not a summary of findings. Only the Accounts at a Glance 2007-2008 has an overview. I would keep only the first citation for the Comptroller and Auditor General.</p>	<p>a</p>
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114. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?

- a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before they are removed.
- b. No, the executive may remove the head of the SAI without the final consent of the judiciary or legislature.
- c. Not applicable/other (please comment).

Citation:

Comment:

In consultation with a senior official from Indian Audit & Accounts Service, we were informed that the only way to remove the head of the Supreme Audit Institution is "impeachment" and for this 2/3rd majority among the legislatures is necessary. So, "a" is the correct answer here.

More detailed information are available in the following sites:

The Constitution of India

http://india.gov.in/govt/documents/english/coi_part_full.pdf

http://www.legalserviceindia.com/constitution/const_india.htm

Article 148 (see page no. 73 of the first citation) says: "Comptroller and Auditor General of India.—(1) There shall be a Comptroller and Auditor-General of India who shall be appointed by the President by warrant under his hand and seal, and shall only be removed from the office in like manner and on the like grounds as a Judge of the Supreme Court."

Further, Article 124 (4) provides that procedure for removal of a Supreme Court judge as follows: "A Judge of the Supreme Court shall not be removed from his office except by an order of the President passed after an address by each House of Parliament supported by a majority of the total membership of that House and by a majority of not less than two-thirds of the members of that House present and voting has been presented to the President in the same session for such removal on the ground of proved misbehavior or incapacity."

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

a

115. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?

- a. Yes, the SAI releases to the public audits of all extra-budgetary funds.
- b. Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds.
- c. Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds.
- d. No, the SAI does not release to the public audits of extra-budgetary funds, or it does not audit such funds, or such a report was released more than 24 months after the end of the fiscal year.
- e. Not applicable/other (please comment).

Citation:

http://cag.gov.in/html/audit_reports_say10.htm

Union Audit Reports (Performance Audit - Report No. 20) 2004-2005

http://cag.gov.in/html/reports/civil/2006_20_peraud/overview.pdf

Tsunami Relief and Rehabilitation, Union Audit Report (Performance Audit) 2006, Report No. 20

http://www.cag.gov.in/html/reports/civil/2006_20_peraud/contents.htm

Comment:

A senior official from Indian Audit & Accounts Service informed us that SAI release to the public audits of extra-budgetary funds.

For an example, see the above citations.

Extra budgetary funds include the National Small Savings Fund, Steel Development Fund (which is an industry-wide loan scheme that operates on commercial principles), and the Prime Minister's Relief Fund (which finances disaster relief from public donations). All expenditures of the government are audited and released except audit reports on secret items of expenditure, which are generally not released to public.

However, with the passage of the Right to Information law, this information can be accessed upon request.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

a

<p>116. Beyond the established year-end attestation audits, does the Supreme Audit Institution (SAI) have <i>the discretion in law</i> to undertake those audits it may wish to?</p> <ul style="list-style-type: none"> a. The SAI has full discretion to decide which audits it wishes to undertake. b. The SAI has significant discretion, but faces some limitations. c. The SAI has some discretion, but faces considerable limitations. d. The SAI has no discretion to decide which audits it wishes to undertake. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> A senior official from Indian Audit & Accounts Service informed us that SAI has the “full discretion in law” to undertake those audits it may wish to. Details are available on the following website.</p> <p>The Comptroller and Auditor-General's (Duties, Powers and Conditions of Service) Act, 1971 http://www.cgaindia.gov.in/html/book3/appendix3.htm http://finmin.nic.in/the_ministry/dept_eco_affairs/budget/CAGAct1971.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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117. Who determines the budget of the Supreme Audit Institution?

- a. The budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.
- b. The budget of the SAI is determined by the executive, and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.
- c. The budget of the SAI is determined by the legislature or judiciary (or some independent body), but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.
- d. The budget of the SAI is determined by the executive, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.
- e. Not applicable/other (please comment).

Citation:

Comment:

A senior official from Indian Audit & Accounts Service informed us that the budget of SAI is a "charged expenditure." So, it is determined by the executive and consistent with the needs of SAI.

For more details, see:

The Constitution of India

http://india.gov.in/govt/documents/english/coi_part_full.pdf

Please refer to Article 148 of the Indian Constitution (see page 73 of the cited document).

According to article 148 of the Constitution of India, administrative expenditure by the SAI will be charged to the consolidated fund of the executive's budget.

Researcher Response to this Question was "b"

Peer Reviewer One Comment: A more appropriate response to this question would be "a" as Article 148 (6) provides that "The administrative expenses of the office of the Comptroller and Auditor-General, including all salaries, allowances and pensions payable to or in respect of the persons serving in that office, shall be charged upon the Consolidated Fund of India" and are therefore not voted upon in the Parliament.

Peer Reviewer Two Comment:

Researcher Response: Since the expenditure incurred for the SAI is a "Charged" expenditure, it cannot be voted upon by the legislature.

IBP Comment: IBP editors chose answer "b" consistent with the researcher's response.

b

<p>118. Does the Supreme Audit Institution employ designated staff for undertaking audits of the central government agencies pertaining to the security sector (military, police, intelligence services)?</p> <ul style="list-style-type: none">a. The SAI employs designated staff, and the staffing levels are broadly consistent with the resources the SAI needs to fulfill its mandate.b. The SAI employs designated staff, but the staffing levels are a cause of some constraints to the SAI in fulfilling its mandate.c. The SAI employs designated staff, but the staffing levels pose a significant constraint on the SAI in fulfilling its mandate.d. The SAI does not employ designated staff for auditing of the security sector, or does not undertake audits of the security sector.e. Not applicable/other (please comment). <p><u>Citation:</u> It was confirmed by a senior official from Indian Audit and Account Service, SAI employs designated staffs for security sector audits.</p> <p><u>Comment:</u> Consultants are hired whenever specific skills are not available in-house.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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119. Does the Supreme Audit Institution maintain formal mechanisms of communication with the public to receive complaints and suggestions to assist it in determining its audit program (that is, to identify the agencies, programs, or projects it will audit)?

- a. Yes, the SAI maintains mechanisms of communication with the public, and received more than 100 communications from the public during the past year.
- b. Yes, the SAI maintains mechanisms of communication with the public, and received less than 100 but more than ten communications from the public during the past year.
- c. Yes, the SAI maintains mechanisms of communication with the public but it receives very little (less than ten) or no information from the public on potential subjects for audit.
- d. No, the SAI does not maintain any formal mechanisms of communication with the public.
- e. Not applicable.

Citation:

<http://cag.gov.in/html/contactus.htm>

Comment:

We do not have details regarding the suggestions received by the CAG.

Researcher Response to this Question was "c"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: The citation above is only to give feedback on the website of the CAG. It does not solicit any communication by the public with respect to receiving any complaints or suggestion. A more appropriate response to this question would be "d."

Researcher Response: I agree with the reviewer. The answer should be changed to "d."

IBP Comment: IBP editors chose answer "d" consistent with Peer Reviewer Two's response.

d

<p>120. Does a committee of the legislature view and scrutinize the audit reports?</p> <p>a. Yes, all audit reports are scrutinized. b. Yes, most audit reports are scrutinized. c. Yes, some audit reports are scrutinized. d. No, audit reports are not scrutinized. e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> In discussion with a few MPs, we were informed that all audit reports are scrutinized by different committees.</p> <p>However, detail rules and regulations are available in the following citations:</p> <p>http://cag.gov.in/Activity/2005-06/chap_3.pdf or the section of "Follow up of Audit Reports" in < http://cag.gov.in/Activity/2003-04/actrep_03_04.htm ></p> <p>Lok Sabha Committee http://164.100.24.209/news/parliamemtrycomintroduction/p26.htm</p> <p>Follow up of Audit Reports http://cag.gov.in/Activity/2003-04/CHAPTER%206A.pdf</p> <p>Please refer to page 22 of the first citation < http://cag.gov.in/Activity/2005-06/chap_3.pdf >. Please refer to the sub section (C) of the Duties of the Committee under Scope and Functions section in the second citation.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<p>121. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?</p> <ul style="list-style-type: none"> a. Yes, the executive reports publicly on what steps it has taken to address audit findings. b. Yes, the executive reports publicly on most audit findings. c. Yes, the executive reports publicly on some audit findings. d. No, the executive does not report on steps it has taken to address audit findings. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The SAI presents its audit findings to the relevant Parliamentary Committees, which are entrusted with the task of examining the audit findings and seeking an explanation from and/or making recommendations to the relevant department/ministry of the Union Government. In response to the recommendations made by the Parliamentary Committee(s), the Government releases Action Taken Reports, which are presented in Parliament.</p> <p><u>Researcher Response to this Question was "e"</u></p> <p><u>Peer Reviewer One Comment:</u> I agree but since separate "action-taken" reports are not always produced, "b" might be a better assessment.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I agree with the reviewer's assessment. As the action-taken report is not always produced, the appropriate answer will be "b."</p> <p><u>IBP Comment:</u> IBP editors chose answer "b" consistent with Peer Reviewer Two's response.</p>	<p>b</p>
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122. Does either the Supreme Audit Institution or the legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?

- a. Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations.
- b. Yes, a report is released, covering key audit recommendations, but some details are excluded.
- c. Yes, a report is released, but it lacks important details.
- d. No, a report is not produced or it is prepared for internal purposes only (please specify).
- e. Not applicable/other (please comment).

Citation:

<http://164.100.24.207/committeereports/Public%20Accounts/14Is52ndreport.pdf>

Comment:

In response to the recommendations made by the Parliamentary Committee(s), the Government releases Action Taken Reports, which are presented in Parliament. Subsequently, the relevant Parliamentary Committees assess these Action Taken Reports and release another set of reports in which they comment on the actions taken by the Government.

Indian Parliament has been disclosing such information through their website since 2006-07. They have also been making efforts to post older reports on their website as well.

However, it has been observed that often the nature of corrective action taken by the Government is not satisfactory.

For example, action taken on the 9th report of the PAC <
<http://164.100.24.207/committeereports/Public%20Accounts/9threp.pdf>
> containing recommendations of the CAG was presented by the PAC in its 52nd report <
<http://164.100.24.207/committeereports/Public%20Accounts/14Is52ndreport.pdf>

So as far as information is concerned, it is provided. But the PAC itself is highly critical on the quality of action taken.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

a

<p>123. Are audit reports of the annual accounts of the security sector (military, police, intelligence services) and other secret programs provided to the legislature (or relevant committee)?</p> <ul style="list-style-type: none"> a. Yes, legislators are provided with detailed audit reports related to the security sector and other secret programs. b. Yes, legislators are provided audit reports on secret items, but some details are excluded. c. Yes, legislators are provided audit reports on secret items, but they lack important details. d. No, legislators are not provided audit reports on secret items, or secret programs are not audited (please specify). e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> In discussion with a few MPs, we were informed that legislatures are not provided with audit reports on secret items or secret programs.</p> <p>However, apart from secret items, all other activities related to the security sector are audited and revealed to the public and parliamentarians.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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