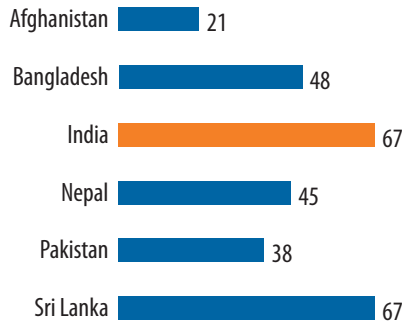


Overall score: **67** (Out of 100) Provides significant information to the public in its budget documents during the year.

How Does India Compare to Its Neighbors?



Key Findings

The scores for 92 questions from the Open Budget Survey (see text box) are used to compile objective scores and rankings of the relative transparency of each country's budget process.

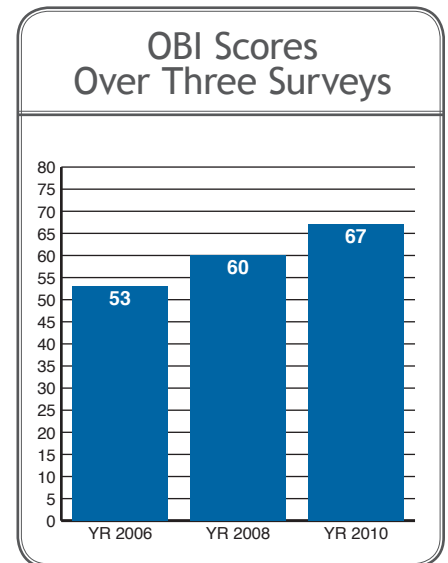
India's score of 67 is the highest in the South Asia region. It shows that the government provides the public with significant information on the central government's budget and financial activities during the course of the budget year. While some deficiencies remain, the amount of information published is generally sufficient for citizens to assess how their governments are managing public funds.

India's score has steadily increased from 53 to 67 from 2006 to 2010 since it started publishing more comprehensive budget documents.

Information in Public Budget Documents

Adequacy & Availability of Eight Key Budget Documents

Document	Level of Information Grade*	Publication Status
PBS	E	Not Produced
EBP	B	Published
EB	A	Published
CB	B	Published
IYR	A	Published
MYR	B	Published
YER	D	Published
AR	B	Published



\* Grades for the comprehensiveness and accessibility of the information provided in each document are calculated from the average scores received on a subset of questions from the Open Budget Survey. An average score between 0-20 (scant information) is graded as E; 21-40 (minimal) is graded as D; 41-60 (some) is graded as C; 61-80 (significant) is graded as B; and 81-100 (extensive) is graded as A.

An **Executive's Budget Proposal** is the government's most important policy instrument. It presents the ways the government plans to raise revenues and where these funds are allocated, thus transforming policy goals into action. In India the budget proposal is fairly comprehensive, but it lacks information on outputs and outcomes and performance indicators for expenditure programs.

A **Pre-Budget Statement** sets forth the broad parameters that will define the government's forthcoming budget. India does not produce a Pre-Budget Statement.

An **Enacted Budget** becomes a country's law and provides the baseline information for all budget analyses conducted during the budget year. In general terms, the Enacted Budget should provide the public with the data it can use to assess the government's stated policy priorities and hold it to account. India publishes a comprehensive Enacted Budget.

A **Citizens Budget** is a nontechnical presentation of a government's budget that is intended to enable the public — including those who are not familiar with public finance — to understand a government's plans. India publishes a fairly comprehensive Citizens Budget.

**In-Year Reports** provide a snapshot of the budget's effects during the budget year. They allow for comparisons with the enacted budget figures and thus facilitate adjustments. India publishes comprehensive In-Year Reports.

A **Mid-Year Review** provides a comprehensive overview of the budget's effects at the midpoint of a budget year and discusses any changes in economic assumptions that affect approved budget policies. Information in this report allows the government, legislature, and the public to identify whether or not adjustments related to revenues, expenditures, or borrowing should be made for the remainder of the budget year. India publishes a fairly comprehensive Mid-Year Review, but it does not present program-level detail for expenditures.

A **Year-End Report** compares the actual budget execution to the Enacted Budget. The Year-End Report can inform policymakers' on tax policies, debt requirements, and major expenditure priorities, thus facilitating modifications for upcoming budget years. India publishes a Year-End Report, but it is far from comprehensive. It does not, for example, include explanations for the difference between the original performance indicators and the actual outcome.

An **Audit Report** is an evaluation of the government's accounts by the country's supreme audit institution (SAI). It reports whether the government has raised revenues and spent national revenue in line with the authorized budget, whether the government's bookkeeping is balanced and accurate, and whether there were problems in the management of public funds. India publishes a comprehensive Audit Report, but it is released more than 12 months after the end of the fiscal year.

# OPEN BUDGET SURVEY 2010

## India

The International Budget Partnership's Open Budget Survey assesses the availability in each country assessed of eight key budget documents, as well as the comprehensiveness of the data contained in these documents. The Survey also examines the extent of effective oversight provided by legislatures and supreme audit institutions (SAI), as well as the opportunities available to the public to participate in national budget decision-making processes.

Research to complete this country's Open Budget Survey was undertaken by:

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## Public Participation and Institutions of Accountability

Beyond improving the availability and comprehensiveness of key budget documents, there are other ways in which India's budget process could be made more open. These include ensuring the existence of a strong legislature that provides effective budget oversight, as well as providing greater opportunities for the public to participate in the budget process.

### Are oversight bodies effective in their budget role?

Oversight Institution	Strength**
Legislature	Moderate
SAI	Strong

\*\* Legislature and SAI strengths are calculated from the average scores received for a subset of questions from the Open Budget Survey. An average score between 0-33 is graded as weak, 34-66 as moderate, and 67-100 as strong.

According to the Open Budget Survey, budget oversight provided by India's legislature is inadequate because it does not:

1. have sufficient time to discuss and approve a budget; and
2. hold public hearings on budget discussions at which the public can testify.

According to the Open Budget Survey, budget oversight provided by India's SAI is generally strong, but it does not have proper channels of communication with the public.

## Recommendations

### India should:

- improve the comprehensiveness of the Executive's Budget Proposal and Year-End Report;
- produce a Pre-Budget Statement;
- provide opportunities for the public to testify at legislative hearings on the budget; and
- enable the legislature to provide more effective oversight of the budget.