The Availability of Budget Documents Over Time

Regional Comparison

India's score of 46 out of 100 is a little higher the global average score of 45.

Usefulness of Budget Information Throughout the Budget Cycle

The Government of India provides the public with limited budget information. The Government of India is weak in providing the public with opportunities to engage in the budget process.

BY LEGISLATURE
Budget oversight by the legislature in India is weak.

BY AUDIT
Budget oversight by the supreme audit institution in India is adequate.

Each country is given a score out of 100 which determines its ranking on the Open Budget Index – the world's only independent and comparative measure of budget transparency.

GLOBAL AVERAGE

- Global Average

- Bangladesh

- India

- Pakistan

- Afghanistan

- Sri Lanka

- Nepal

- Scant or None

- Minimal

- Limited

- Substantial

- Extensive

The Availability of Budget Documents Over Time

- Pre-Budget Statement
- Executive’s Budget Proposal
- Enacted Budget
- Citizens Budget
- In-Year Reports
- Mid-Year Review
- Year-End Report
- Audit Report

Note: The following categories are used to report the usefulness of each document:

- Not produced/published late
- Produced for internal use
- Published

OUT OF 100

19

39

75

The Open Budget Survey uses 109 indicators to measure budget transparency. These indicators are used to assess whether the central government makes eight key budget documents available to the public in a timely manner and whether the data contained in these documents are comprehensive and useful.

The Government of India is weak in providing the public with opportunities to engage in the budget process.

India provides the public with limited budget information.

The legislature in India is weak.

The supreme audit institution in India is adequate.

The following categories are used to report the usefulness of each document:

- Not produced/published late
- Produced for internal use
- Published
India’s score of 46 on the 2015 Open Budget Index is significantly lower than its score in 2012. However, the regression in transparency observed in India appears to be largely temporary in nature. Since the end of the Open Budget Survey research period, India has published on time the two documents that were published late during the survey period, the Mid-Year Review and the Year-End Report.

However, the Government of India has failed to make progress in the following ways:
- Not producing a Pre-Budget Statement.
- Publishing a Citizens Budget that only contains minimal budget information.

Evidence suggests that transparency alone is insufficient for improving governance, and that public participation in budgeting can maximize the positive outcomes associated with greater budget transparency.

To measure public participation, the Open Budget Survey assesses the degree to which the government provides opportunities for the public to engage in budget processes. Such opportunities should be provided throughout the budget cycle by the executive, the legislature, and the supreme audit institution.

Regional Comparison

India’s score of 19 out of 100 indicates that the provision of opportunities for the public to engage in the budget process is weak. This is lower than the global average score of 25.
The Open Budget Survey examines the extent to which legislatures and supreme audit institutions are able to provide effective oversight of the budget. These institutions play a critical role – often enshrined in national constitutions – in planning budgets and overseeing their implementation.

**Oversight by the Legislature**

The legislature provides weak oversight during the planning stage of the budget cycle and limited oversight during the implementation stage of the budget cycle. The legislature does not have a specialized budget research office, and in both law and practice, the legislature is not consulted prior to spending contingency funds that were not identified in the Enacted Budget.

**Oversight by the Supreme Audit Institution**

The supreme audit institution provides adequate budget oversight. Under the law, it has full discretion to undertake audits as it sees fit, and the head of the supreme audit institution cannot be removed without legislative or judicial approval, which bolsters its independence. Moreover, the supreme audit institution is provided with sufficient resources to fulfill its mandate, but has only a weak quality assurance system in place.

### Recommendations

#### Improving Transparency

India should prioritize the following actions to improve budget transparency:
- Produce and publish a Pre-Budget Statement.
- Institutionalize the publication in a timely manner of all documents, including the Mid-Year Review and the Year-End Report.
- Increase the comprehensiveness of the Citizens Budget.

#### Improving Participation

India should prioritize the following actions to improve budget participation:
- Establish credible and effective mechanisms (i.e., public hearings, surveys, focus groups) for capturing a range of public perspectives on budget matters.
- Hold legislative hearings on the budgets of specific ministries, departments, and agencies at which testimony from the public is heard.

#### Improving Oversight

India should prioritize the following actions to strengthen budget oversight:
- Establish a specialized budget research office for the legislature.
- In both law and practice, ensure the legislature is consulted prior to the spending of contingency funds that were not identified in the Enacted Budget.
The Open Budget Survey uses internationally accepted criteria developed by multilateral organizations such as the International Monetary Fund (IMF), the Organisation for Economic Co-operation and Development (OECD), and the International Organisation of Supreme Audit Institutions (INTOSAI). It is a fact-based research instrument that assesses what occurs in practice through readily observable phenomena. The entire research process took approximately 18 months between March 2014 and September 2015 and involved about 300 experts in 102 countries. The Survey was revised somewhat from the 2012 version to reflect emerging developments in accepted good practice and to strengthen individual questions. A full discussion of these changes can be found in a technical note on the comparability of the Open Budget Index over time (see below).

Survey responses are typically supported by citations and comments. This may include a reference to a public document, an official statement by the government, or comments from a face-to-face interview with a government official or other knowledgeable party.

The Survey is compiled from a questionnaire completed for each country by independent budget experts who are not associated with the national government. Each country’s questionnaire is then independently reviewed by an anonymous expert who also has no association to government. In addition, IBP invites national governments to comment on the draft results from the Survey and considers these comments before finalizing the Survey results.

Despite repeated efforts, IBP was unable to get comments on the draft Open Budget Questionnaire results from the Government of India.

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

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Further Information
Visit www.openbudgetsurvey.org for more information, including:

- The Open Budget Survey 2015: Global Report
- Individual datasets for each of the 102 countries surveyed.
- A technical note on the comparability of the Open Budget Index over time.