Drawing on internationally accepted criteria developed by multilateral organizations, the Open Budget Survey uses 109 equally weighted indicators to measure budget transparency. These indicators assess whether the central government makes eight key budget documents available to the public online in a timely manner and whether these documents present budget information in a comprehensive and useful way.

Each country receives a composite score (out of 100) that determines its ranking on the Open Budget Index – the world’s only independent and comparative measure of budget transparency.

**How has the OBI score for India changed over time?**

![Graph showing the transparency scores for India from 2006 to 2017](image)

**How does budget transparency in India compare to others?**

![Bar chart comparing transparency scores for India and other countries](image)

India’s score of 48 out of 100 is moderately higher than the global average score of 42.
Transparency alone is insufficient for improving governance. Public participation in budgeting is vital to realize 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.

The questions assessing participation in the Open Budget Survey 2017 were revised to align them with the Global Initiative for Fiscal Transparency’s new principles on public participation, which now serve as the basis for widely accepted norms on public participation in national budget processes. Therefore, data on the extent of public participation in budgeting in the Open Budget Survey 2017 cannot be compared directly to data from earlier editions.

India’s score of 15 out of 100 indicates that it provides few opportunities for the public to engage in the budget process. This is higher than the global average score of 12.

How does public participation in India compare to other countries in the region?

India’s score of 48 on the 2017 Open Budget is largely the same as its score in 2015.

Since 2015, India has increased the availability of budget information by:
- Publishing the Year-End Report in a timely manner.

However, India has failed to make progress in the following ways:
- Not producing a Pre-Budget Statement and a Mid-Year Review.

Key Budget Documents

Pre-Budget Statement: discloses the broad parameters of fiscal policies in advance of the Executive’s Budget Proposal, outlines the government’s economic forecast, anticipated revenue, expenditures, and debt.

Executive’s Budget Proposal: submitted by the executive to the legislature for approval; details the sources of revenue, the allocations to ministries, proposed policy changes, and other information important for understanding the country’s fiscal situation.

Enacted Budget: the budget that has been approved by the legislature.

Citizens Budget: a simpler and less technical version of the government’s Executive’s Budget Proposal or Enacted Budget, designed to convey key information to the public.

In-Year Reports: include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.

Mid-Year Review: contains a comprehensive update on the implementation of the budget as of the middle of the fiscal year; includes a review of economic assumptions and an updated forecast of budget outcomes.

Year-End Report: describes the situation of the government’s accounts at the end of the fiscal year and, ideally, an evaluation of the progress made toward achieving the budget’s policy goals.

Audit Report: issued by the supreme audit institution, this document examines the soundness and completeness of the government’s year-end accounts.

Public Participation

To what extent do different institutions in India provide opportunities for public participation?
The Open Budget Survey examines the role that legislatures, supreme audit institutions, and independent fiscal institutions play in the budget process and the extent to which they are able to provide effective oversight of the budget. These institutions play a critical role — often enshrined in national constitutions or laws — in planning budgets and overseeing their implementation.

These indicators were revised to better assess the role of formal oversight institutions in ensuring integrity and accountability in the use of public resources. Therefore, data on the role and effectiveness of oversight institutions in the Open Budget Survey 2017 should not be compared directly to data from earlier editions.

To what extent does the legislature in India provide budget oversight?

The legislature provides limited oversight during the budget cycle. This score reflects that the legislature provides weak oversight during the planning stage of the budget cycle and limited oversight during the implementation stage of the budget cycle.

Oversight by an Independent Fiscal Institution

India does not have an independent fiscal institution (IFI). While IFIs are not yet widespread globally, they are increasingly recognized as an important source of independent, nonpartisan information. IFIs take a variety of different institutional forms. Common examples include parliamentary budget offices and fiscal councils.


RECOMMENDATIONS

How can India improve transparency?

India should prioritize the following actions to improve budget transparency:

■ Produce and publish a Pre-Budget Statement and a Mid-Year Review.
■ Increase the information provided in the Executive’s Budget Proposal by providing detailed information on the financial position of the government and extra-budgetary funds.
■ Increase the information provided in the Year-End Report by providing information on comparisons between planned revenues and actual outcomes and comparisons between the original macroeconomic forecast and actual outcomes.
■ Increase the comprehensiveness of the Enacted Budget by publishing more information along with the Appropriation Bill or by indicating in the Appropriation Bill that the Executive’s Budget Proposal and its supporting documents are considered to be part of the Enacted Budget. The score for the Enacted Budget declined since 2015 because for cross-country consistency purposes the International Budget Partnership no longer considers the Executive’s Budget Proposal or its supporting documents to be part of the Enacted Budget unless they are specifically referenced in the approved budget or there is some official notice that these documents should be considered as part of the Enacted Budget.

For more detailed information on the survey findings for India, please see the Open Budget Survey Data Explorer at survey.internationalbudget.org.
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Further Information
Visit openbudgetsurvey.org for more information, including:
■ The Open Budget Survey 2017: Global report
■ Data explorer
■ Methodology report
■ Full questionnaire