



Public Expenditure in Bengaluru

The Case for Radical Transparency

Did you know?



Public spending on Bengaluru is estimated to be about INR 38,455 crore in 2021-22.

That's more than INR 100 crore per day. But this number does not officially exist. It is estimated from 70+ documents from 13+ public authorities.



20% of this spending is by the city government, the sole institution directly elected and accountable to citizens.

The remaining 80% is spent by parastatals (government-controlled bodies such as BWSSB, BESCO, and BMTCL) which operate largely outside public scrutiny.



Citizens have almost no visibility into how public money is spent in Bengaluru.

Parastatals average just 34% on financial disclosure. Even the erstwhile BBMP did not fully disclose its finances.



Most public authorities in Bengaluru are not legally required to share how they spend public money.

The Greater Bengaluru Authority Act, 2024 requires only municipal corporations to publish their financials. Among parastatals, only 3 out of 12 (BDA, BWSSB, and BMRDA) are required to publish financial information as per their own laws.

Janaagraha recommends three key changes to establish radical transparency in Bengaluru:

01

Bring all public authorities in Bengaluru under common fiscal transparency rules.

02

Create a consolidated city-level public spending dashboard.

03

Implement radical transparency by publishing project-level details, making spending data available by sector and ward, and disclosing all data proactively in machine-readable formats.

01. How much public money is spent on Bengaluru?

INR
38,455 crore



That is the estimated public spending on Bengaluru in 2021–22.* At first glance, that number seems dated. After all, public spending has clearly continued well beyond those initial COVID years. Alarming, this is the most recent year for which such a number could even be estimated — and it is not officially published anywhere. No single document, no government website, and no dashboard carries it.

Janaagraha had to piece it together from limited data scattered across more than 70 documents from over a dozen public authorities. This is partly because no single authority is responsible for public spending in Bengaluru.

***Disclaimer:** Public expenditure estimates cover BBMP and key parastatals (BDA, BESCOM, K-RIDE, BMRCL, BMTc, BWSSB, KRDCCL, BenCSL, Bengaluru Police), based on the best available budgets and annual accounts for the reference year. Figures are compiled using a consistent, conservative methodology and should be treated as indicative estimates of city-level spending. Expenditure for multi-jurisdiction authorities are apportioned using population, service coverage, or project location proxies. Figures are indicative and may not capture all spending.

Public money flows through at least three channels:

● **The city government**

Formerly the Bruhat Bengaluru Mahanagara Palike (BBMP), now split into five municipal corporations under the Greater Bengaluru Authority (GBA): Central, East, West, North, and South.


● **State government departments**

Such as health, education, and horticulture that spend money across Karnataka as a whole. Their budgets do not specify what they spend in Bengaluru alone.

● **Parastatals**

Government-owned or government-controlled bodies that manage essential services such as water, transport, electricity, and urban development. For example, the Bangalore Development Authority (BDA), Bengaluru Water Supply and Sewerage Board (BWSSB), and Bengaluru Electricity Supply Company (BESCOM). These public authorities often work in the same sectors — both the BBMP and the Karnataka Road Development Corporation Limited (KRDCL) build roads, for instance — yet there is no single document that shows how much public money is being spent on the city, by whom, or on what.

**To arrive at INR 38,455 crore,
Janaagraha had to go authority by authority and
document by document — using budgets where
available and audited accounts where not.
More details on the methodology,
sources of data, and selection of authorities
are covered in the Appendix.**

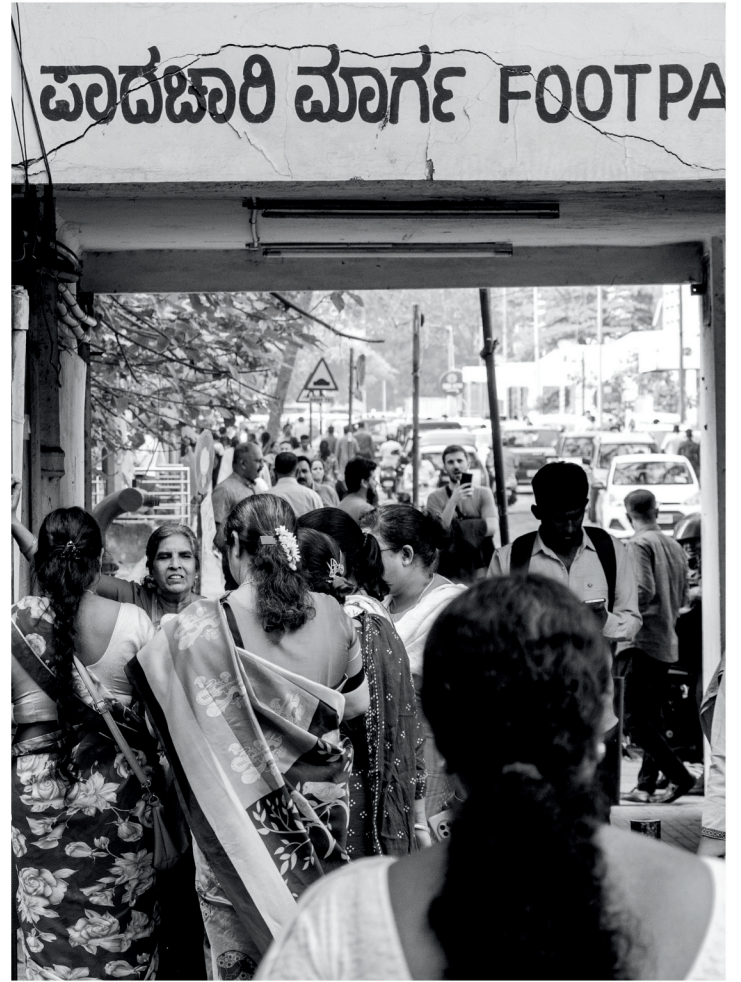


Why is there no single, publicly available number that tells us how much is being spent on a city like Bengaluru?

Bad roads, traffic congestion, water shortages, flooding — Bengalureans deal with these challenges frequently. But without a clear picture of public spending, there is no way to connect these problems to their causes. We cannot tell whether poor infrastructure and services are the result of insufficient funds, misplaced priorities, poor execution, or weak financial reporting and accountability.

Without data, the decisions that shape the everyday lives of millions of Bengalureans are, at best, informed guesswork.





02. Who spends public money in Bengaluru?

In principle, accountability for public spending should rest with the city government — the only level of government that residents directly elect and the one closest to them. But in Bengaluru, as in most cities, this is not the case. 80% of the money and decision-making sits with parastatals and state departments — none of which are elected. And the city government itself has not had elected representatives since 2020.


Only 20% of public spending in Bengaluru is by the city government. The remaining 80% is by parastatals and state departments.

| Public Authorities | Share |
|--|----------------|
| Bruhat Bengaluru Mahanagara Palike | 19.60% |
| Bengaluru Electricity Supply Company | 47.30% |
| Bengaluru Metro Rail Corporation Limited | 13.40% |
| Bengaluru Water Supply and Sewerage Board | 8.80% |
| Bengaluru Metropolitan Transport Corporation | 6.30% |
| Bengaluru Police | 2.40% |
| Others | 2.30% |
| | 100.00% |



Figure 1: Share of public spending in Bengaluru by public authority

*Others include the Bangalore Development Authority (BDA) for urban planning, land use, roads, and bridges, Karnataka Road Development Corporation Limited (KRDCL) for roads, Karnataka Rail Infrastructure Development Company (K-RIDE) for transport, and the Bengaluru Smart City Limited (BenCSL) for land use and public amenities.


An aerial, black and white photograph of a city street. The street runs vertically through the center, with buildings on either side. A road with traffic is visible on the right side. The image is partially obscured by a large yellow circle on the right and a dark grey overlay on the left.

On the surface,
this may not seem
like a problem.

After all, parastatals such as
BESCOM and **BWSSB** are the ones
delivering essential services.
But they are not elected and not
directly accountable to citizens.

When water supply is interrupted,
when roads deteriorate, or when fares
are raised, who can a citizen turn to
for solutions?

You can question parastatals, but the
system does not require them to
answer you.



What does real
accountability look like?

Under Indian corporate law, private companies must publish audited financials and quarterly performance reports giving shareholders visibility over how their money is used. Citizens who fund Bengaluru's public authorities through tariffs, fees, and taxes have no equivalent visibility. These bodies manage thousands of crores of public money, yet face no comparable legal duty to publish budgets, project details, or outcomes.

The principle is simple:
every public authority must
be accountable to citizens for
every rupee it spends.

03. How does Bengaluru fare on transparency in public spending?

On average, public disclosure for:

Parastatals: 34%



Erstwhile BBMP: 80%



- City Government
- City-level Parastatals
- State Parastatal
- Available
- Not Available
- Not Applicable

| Public Authorities | Budget | | | | | |
|--|--------|-------|-------|-------|-------|-------|
| | Year: | 21-22 | 22-23 | 23-24 | 24-25 | 25-26 |
| ■ BBMP | | ● | ● | ● | ● | ● |
| ■ BDA | | ● | ● | ● | ● | ● |
| ■ BMRCL | | ● | ● | ● | ● | ● |
| ■ BMTCL | | ● | ● | ● | ● | ● |
| ■ BESCOM | | ● | ● | ● | ● | ● |
| ■ BWSSB | | ● | ● | ● | ● | ● |
| ■ BenCSL | | ● | ● | ● | ● | ● |
| ■ BMRDA | | ● | ● | ● | ● | ● |
| ■ BSWML | | ● | ● | ● | ● | ● |
| ■ B-SMILE | | ● | ● | ● | ● | ● |
| ■ K-RIDE | | ● | ● | ● | ● | ● |
| ■ KRDC | | ● | ● | ● | ● | ● |

Figure 2: Public disclosure of financial information across Bengaluru's public authorities

| Public Authorities | Annual Report | | | | | Annual Accounts | | | | | Organisational Score | |
|--------------------|---------------|-------|-------|-------|-------|-----------------|-------|-------|-------|-------|----------------------|-------|
| | Year: | 20-21 | 21-22 | 22-23 | 23-24 | 24-25 | 20-21 | 21-22 | 22-23 | 23-24 | | 24-25 |
| ■ BBMP | | ● | ● | ● | ● | ● | ● | ● | ● | ● | ● | 80% |
| ■ BDA | | ● | ● | ● | ● | ● | ● | ● | ● | ● | ● | 87% |
| ■ BMRCL | | ● | ● | ● | ● | ● | ● | ● | ● | ● | ● | 67% |
| ■ BMTCL | | ● | ● | ● | ● | ● | ● | ● | ● | ● | ● | 67% |
| ■ BESCOM | | ● | ● | ● | ● | ● | ● | ● | ● | ● | ● | 53% |
| ■ BWSSB | | ● | ● | ● | ● | ● | ● | ● | ● | ● | ● | 13% |
| ■ BenCSL | | ● | ● | ● | ● | ● | ● | ● | ● | ● | ● | 13% |
| ■ BMRDA | | ● | ● | ● | ● | ● | ● | ● | ● | ● | ● | 13% |
| ■ BSWML | | ● | ● | ● | ● | ● | ● | ● | ● | ● | ● | 0% |
| ■ B-SMILE | | ● | ● | ● | ● | ● | ● | ● | ● | ● | ● | 0% |
| ■ K-RIDE | | ● | ● | ● | ● | ● | ● | ● | ● | ● | ● | 53% |
| ■ KRDCCL | | ● | ● | ● | ● | ● | ● | ● | ● | ● | ● | 13% |



Of the 12 public authorities reviewed, only two — the BBMP and the BDA — consistently publish most of their financial information, scoring 80% and 87% respectively. Given that the BBMP was the city’s elected government and directly answerable to its citizens, even 80% should be seen as a gap, not a benchmark.

A few others, such as BMRCL, BMTCL, BESC, and K-RIDE, fall in the middle, with scores between 53% and 67%, showing partial but inconsistent transparency. However, the majority perform poorly: BWSSB scores just 20%, while BenCSL, BMRDA, and KRDC score as low as 13%. At the extreme end are authorities like BSWML and B-SMILE that have 0% disclosure.

Consider Bengaluru Smart Infrastructure Limited (B-SMILE). It was set up with an initial outlay of around INR 7,000 crore in 2025-26 and has been allocated over INR 3,200 crore in the 2026-27 budget across the five municipal corporations. Yet, it does not even have a functional website.

More recently, Bengaluru has been split into five corporations to improve governance and deliver better services. But if better governance is the goal, it should begin with the basics: requiring the public authorities that spend most of the money to show citizens how they use it. This is yet to happen.

The GBA's five corporations have published their budgets for FY 2026-27 (albeit without an elected council). Most parastatals have not.

Without transparency, accountability cannot follow. Without accountability, better governance remains incomplete.

This is not just a matter of practice. It is a question of what is enshrined in law.

04. Transparency is mandated for municipal corporations but not for the parastatals that spend 80% of public money.

The GBA Act, 2024 sets the bar high on transparency for the five municipal corporations. Parastatals in the city, however, are not bound by the same rules.

Table 1: Disclosure mandated under the GBA Act, 2024

| Data Type | For GBA or Municipal Corporations | For Parastatals | Relevant Sections |
|---|-----------------------------------|-----------------|--|
| Budgets | Yes | No | Section 21, Section 181 |
| Financial Statements | Yes | No | Section 24 (5), Section 196 (4) |
| Annual Reports | Yes | No | Section 22 (1), Section 178 (6) |
| Performance KPIs | Yes | Limited | Section 132 (4) |
| Outcomes / Impact | Yes | Limited | Section 132 (3) (a) |
| Register of Contract / Building Approvals | Yes | No | Section 144, Section 140 (4), Section 230 (11) |
| Ward Budgets | Yes | No | Section 103 (1) (q) |

Only 3 out of 12 parastatals (BDA, BWSSB, and BMRDA) are required to publish financial information under their own legislation. Other public authorities that are governed by the Companies Act are not, because they are unlisted companies. The GBA Act, through amendments, has the potential to close this gap by extending transparency requirements to all public authorities in Bengaluru.

What makes the lack of financial transparency at the city-level even more striking is that this is not how the rest of the government works. At the union and state level, every rupee spent must be accounted for. Budgets are presented to the legislature, detailed financial statements are published, and accounts are audited by the Comptroller and Auditor General of India. These reports are then placed in the public domain.

This is the basic standard of public finance. Transparency is not optional. It is built into the system to ensure that public money can be questioned, scrutinised, and held to account.

Now compare that with Bengaluru. Municipal corporation budgets have been passed without an elected council since 2020. Still, at least these bodies — which spend 20% of public money — disclose their budgets consistently. The public authorities responsible for the remaining 80% of Bengaluru's public spending do not. Their financials are not consistently available, their decisions are not easily traceable, and their performance is not routinely placed in the public domain.

This opacity would be unthinkable at the union or state level or in the private sector. But at the city level, this is exactly what we have come to accept.

05. What needs to change?

India already has the tools, the platforms, and the precedent for financial transparency at scale. What is missing is the requirement and the expectation that city-level public authorities meet the same standard.

Janaagraha recommends three steps:

01

Bring all public authorities under the same transparency rules.

Currently, municipal corporations are required to disclose financial information, but most parastatals are not. This can be addressed either by strengthening the Karnataka Local Fund Authorities Fiscal Responsibility Act, 2003 or by extending the GBA Act's disclosure requirements to cover all parastatals.

At a minimum, every public authority spending money in Bengaluru should be required to publish its annual budget before the start of the financial year, provisional accounts within three months of year-end, audited financial statements within nine months, and quarterly service performance data.

02

Create a city-level public expenditure dashboard that provides a consolidated picture of public spending in Bengaluru.

The dashboard should include public authority-wise comparisons with a clear breakdown of spending across municipal corporations, parastatals, and state departments, so citizens can see who is spending, how much, and on what.



MINISTRY OF HOUSING AND URBAN AFFAIRS | GOVERNMENT OF INDIA

cityfinance

At the national level, the CityFinance.in portal — owned by the Ministry of Housing and Urban Affairs, Government of India, and conceived and managed by Janaagraha — already does this by hosting financial data for over 4,800 Urban Local Governments (ULGs), with more than 16,000 financial statements from FY 2015-16 to 2023-24.

03

Advance radical transparency in how public money is spent.

- Publish project tracking such as project pipelines, tender details, execution status, and cost overruns — so citizens can track where money goes.
- Make spending data available by sector (water, transport, roads, waste) and by ward, so residents can see what is happening in their neighbourhood.
- Publish expenditure linked to service delivery outcomes, like water supply coverage, road quality, commute times, and waste collection efficiency.
- Consolidate all budgets, tenders, and project data in one place, rather than having it scattered across multiple websites.

This information should feed directly into council deliberations and ward sabha discussions, giving citizens and councillors the evidence to demand accountability.

It is ironic that Bengaluru, as the IT capital of the country, still lags behind villages in leveraging technology for transparency.



eGramSwaraj

Simplified Work based Accounting application
for Panchayati Raj

India's rural governance system has quietly built what most cities still lack: a public, digital, real-time window into local government finances and public works. The Government of India's eGram Swaraj platform integrates planning, budgeting, accounting, and reporting for over 2.7 lakh Panchayati Raj Institutions across the country. The portal enables end-to-end visibility of approved works, geo-tagged tracking of physical progress, and public access to fund allocations and vouchers. Explore: www.egramswaraj.in/



Bringing every rupee and every project into plain view can align interests, helping citizens, councillors, and administrators work from a shared understanding of reality, make better decisions, and collectively shape how their city is run.



APPENDIX:

Solving the public expenditure puzzle of Bengaluru

Public expenditure on Bengaluru is the total annual spending by public authorities responsible for delivering infrastructure and services within the city. This includes revenue expenditure (operational and service delivery costs) and capital expenditure (investments in infrastructure and asset creation). This analysis is based on actual expenditure rather than budget estimates.

1. Which public authorities spend in Bengaluru?

The first challenge was to identify the public authorities that spend public money in Bengaluru. No consolidated list of these institutions exists. To create this, Janaagraha identified authorities across four categories: city parastatals, state parastatals, state departments, and special entities. A total of 29 public authorities were identified, excluding the city government.

Table 2:
Public authorities involved in Bengaluru's governance and spending

| Category | No. of Authorities | Public Authorities |
|------------------|--------------------|---|
| City Parastatals | 10 | <ul style="list-style-type: none">• Bengaluru Water Supply and Sewerage Board (BWSSB)• Bengaluru Electricity Supply Company (BESCOM)• Bengaluru Metropolitan Transport Corporation (BMTCL)• Bangalore Development Authority (BDA)• Bengaluru Metropolitan Region Development Authority (BMRDA)• Bengaluru Smart City Limited (BenSCL)• Bengaluru Metro Rail Corporation Limited (BMRCL)• Bengaluru Solid Waste Management Limited (BSWML)• Bengaluru Metropolitan Land Transport Authority (BMLTA)• Bengaluru Smart Infrastructure Limited (B-SMILE) |

| Category | No. of authorities | Public Authorities |
|-------------------|--------------------|--|
| State Parastatals | 6 | <ul style="list-style-type: none"> • Karnataka Road Development Corporation Limited (KRDCL) • Karnataka Rail Infrastructure Development Company (K-RIDE) • Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC) • Karnataka Slum Development Board (KSDB) • Karnataka Housing Board (KHB) • Karnataka Industrial Areas Development Board (KIADB) |
| State Departments | 10 | <ul style="list-style-type: none"> • Health and Family Welfare Department, Education Department • Public Works Department (PWD) • Revenue Department • Horticulture Department • Minor Irrigation Department • Transport Department • Directorate of Urban Land Transport (DULT) • Karnataka Fire and Emergency Services (KFES) • Bengaluru City Police (BCP) |
| Special / Others | 3 | <ul style="list-style-type: none"> • Defense establishments (HAL, DRDO, ASC, etc.) • Bengaluru International Airport Limited (BIAL) • Nandi Infrastructure Corridor Enterprises (NICE) |

This list represents over 90% of the identifiable public spending ecosystem in Bengaluru.

That assembling even this required navigating multiple institutional sources underscores the need for a system that tracks city-level public spending.

2. Why could the analysis not include all public authorities?

Even after identifying these public authorities (including the city government), expenditure could not be estimated for all of them because most do not publish city-level financial data.

Janaagraha selected a subset of 13 public authorities based on two criteria:

1. Functional relevance to the 18 functions under the 74th Constitutional Amendment Act.
2. Availability of reasonably reliable expenditure data that could be attributed to Bengaluru.

Table 3: Public authorities selected for expenditure estimation

| | |
|----|---|
| 1 | Bruhat Bengaluru Mahanagara Palike (BBMP) |
| 2 | Bangalore Development Authority (BDA) |
| 3 | Bengaluru Electricity Supply Company (BESCOM) |
| 4 | Bengaluru Water Supply and Sewerage Board (BWSSB) |
| 5 | Bengaluru Metropolitan Transport Corporation (BMTC) |
| 6 | Bengaluru Metro Rail Corporation Limited (BMRCL) |
| 7 | Bengaluru Solid Waste Management Limited (BSWML) |
| 8 | Bengaluru Metropolitan Region Development Authority (BMRDA) |
| 9 | Bengaluru Smart City Limited (BenSCL) |
| 10 | Bengaluru Smart Infrastructure Limited (B-SMILE) |
| 11 | Bengaluru City Police |
| 12 | Karnataka Rail Infrastructure Development Company (K-RIDE) |
| 13 | Karnataka Road Development Corporation Limited (KRDCCL) |

The analysis excludes several state departments, including health, education, and social welfare, despite their core urban functions, because their budgets do not report city-level expenditure data. It includes Bengaluru City Police as a city-level entity, since its operations are clearly attributable to the city. However, for other state departments mentioned above, there is no clear city-level entity. Similarly, the analysis includes KRDC and K-RIDE because they report expenditure on projects within Bengaluru. As a result, the estimates presented here are conservative and likely understate total public expenditure.

3. Where does the data come from?

No public authority publishes financial information in a consolidated form. Janaagraha manually collected data from individual authorities' websites, reviewing more than 70 documents across public authorities for the period FY 2020-21 to FY 2025-26. These included budgets, annual reports, and audited financial statements (income and expenditure statements, cash flow statements, and balance sheets).

Table 4: Data sources by authority

| Authority | Source |
|-----------------------|--|
| BBMP | Budget |
| BDA | Budget |
| BESCOM | Cash Flow Statement and Income & Expenditure Statement |
| BMTC | Annual Report |
| BMRCL | Cash Flow Statement and Income & Expenditure Statement |
| BWSSB | Budget |
| BenSCL | Annual Report |
| Bengaluru City Police | State Budget |
| K-RIDE | Cash Flow Statement and Income & Expenditure Statement |
| KRDCL | Balance Sheet (Capital expenditure) |

Where available, the analysis used actual expenditure reported in budgets. In other cases, Janaagraha reconstructed expenditure from audited financial statements, deriving revenue expenditure from income and expenditure statements, and estimating capital expenditure from cash flow statements or balance sheet entries such as capital work in progress.

4. Choosing a reference year in a fragmented system

Janaagraha selected FY 2021-22 as the reference year because it had the widest availability of data across public authorities. Where data for FY 2021-22 was not available, data from the nearest available financial year was used to ensure coverage across public authorities. Specifically, for BWSSB, KRDC, and BenSCL, data from FY 2020-21 was used.

5. How was spending attributed to Bengaluru?

For public authorities whose operations are largely confined to Bengaluru, the analysis treats total expenditure as city-level spending. However, several public authorities operate beyond the city. For state departments, the challenge is even more basic. We know what they spend across Karnataka and at the district level, but not what they spend in Bengaluru alone. For these, Janaagraha apportioned expenditure to Bengaluru using available proxies such as population share, service area coverage, and project location.

Table 5: Methodology for expenditure attribution by authority

| Authority | Jurisdiction | Methodology |
|-----------------------|-------------------------------------|--|
| BESCOM | Bengaluru and surrounding districts | 72% of total expenditure attributed based on population share of BBMP as per 2011 Census |
| BDA | Bengaluru Metropolitan Area | Area-based ratio using BBMP and BDA jurisdiction |
| Bengaluru City Police | BBMP area | 13.8% attributed based on population share. |
| KRDCL | State-wide | Allocation based on project location |

These attribution methods introduce a degree of approximation but are inevitable in the absence of proactive disclosure.

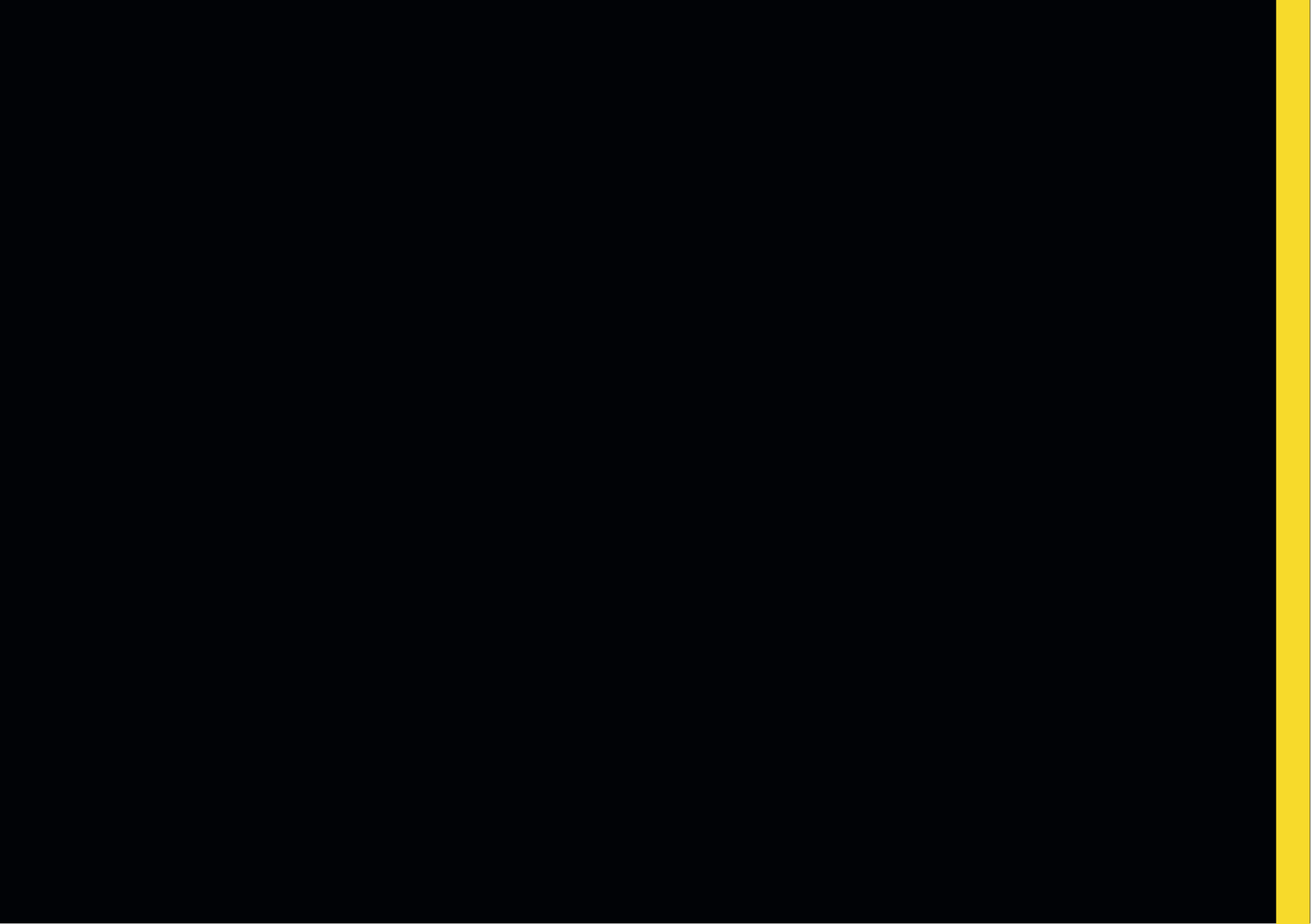
We believe transparency lays the foundation for accountability, better decisions, and a city that works for its residents.

ABOUT JANAAGRAHA

Janaagraha is a Bengaluru-based not-for-profit institution working to transform quality of life in India's cities and towns. It catalyses large-scale systems change in India's cities through partnerships with constitutional bodies, union and state governments, and the broader civil society ecosystem.

For 25 years, Janaagraha has worked extensively on urban policy and governance reforms, including conceiving the Jawaharlal Nehru National Urban Renewal Mission (JnNURM), engagements with the XIII, XIV, XV, and XVI Finance Commissions, and the Comptroller and Auditor General (CAG) of India. Janaagraha's current portfolio includes work with the Ministry of Housing and Urban Affairs, NITI Aayog, the CAG of India, the state governments of Odisha, Assam, and Uttar Pradesh, and the state finance commissions of Karnataka, Odisha, and Haryana.

See more at www.janaagraha.org





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