

# Fin panel moots congestion tax to unclog Bengaluru

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Bengaluru roads congested during peak hours on March 10, 2026. Photo | Express

**Aknisree Karthik**

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**BENGALURU:** The 5th State Finance Commission, in its 2026–30 report tabled in the Assembly on Tuesday for the five city corporations under the Greater Bengaluru Authority (GBA), has recommended levying the London model congestion charges and implementing pay and park to effectively control traffic in Bengaluru.

The Commission said congestion charges on Bengaluru’s busy roads like the Outer Ring Road (ORR) and other feasible areas can be implemented using the FAST Tag. It will not only generate revenue but also help cut down traffic and pollution, it said.

The Commission said the congestion charges were introduced in 2003 in London to reduce traffic in core city areas, where charges were applied daily on vehicles entering a defined zone. “It uses pricing not just to raise money but also to change public behaviour. It generates predictable, recurring revenue and the funds are largely reinvested in public transport and road improvements,” the report said.

The report was prepared by Finance Commission Chairman C Narayanaswamy, along with members Mohamed Sanaulla and RS Phonde. It said city corporations introduced pay and park facilities in some of the prominent areas and roads, but they are required to prepare a comprehensive parking plan for the entire city corporations.

This includes identification of no parking areas, single side parking areas and alternate side parking areas depending upon the width of the roads and nature of each area – both residential and commercial.

The report recommended implementation of the parking policy issued by the Directorate of Urban Land Transport (DULT), along with parking inventory and GIS mapping, demand-based pricing and enforcement systems on the lines of the Namma Metro parking system.

Welcoming the recommendations, mobility expert and professor Ashish Verma, who is also the convenor at the Sustainable Transportation (IST) Lab of the Indian Institute of Science (IISc), said, “With ‘push and pull’ bundled interventions, a lot can be achieved in bringing down traffic.

Push measures like congestion charges and parking will discourage private vehicle usage, and with pull measures like good public transport and infrastructure for walking and cycling, traffic can be cut down significantly.”

Verma also insisted that all the revenue generated through congestion charges and parking fees should be collected in a separate kitty and used to fund sustainable transport. The Commission said city corporations required more than 1,000km of roads to be constructed, and recommended the state government to provide funds annually to the five civic bodies so that they can take up at least 250 km of road length in the next four years.