

20/03/21 - Indian Economy

Do you think that the Government of India should constitute an independent Commission to handle effectively the task of monetisation of assets? Discuss

Recently Budget of F.Y. 2021 the Government of India (GoI) decided to monetize its assets except imp sectors like defence, for space etc.

★ Why Monetisation?

★ → Lack of Revenue to Spend.

↳ COVID-19 has led to spending in many sectors like health, industries & etc

↳ The Spending was also done due to in Welfare sector to keep away from poverty and hunger for rural and jobless problems.

↳ The Spending was not used or regular Spending done in normal days

⇒ Increasing debt and less receipt.

→ Govt's total spending came to approx
34.9 trillion rupees and target was
30.40 trillion

↳ done due to revive economy
and for job generation

→ Govt. also planned to spend money
on National Infrastructure
Project (NIP). .

↳ with 6,835 projects

→ Govt's spending approx. 5.54
trillion ≈ 34.5% on interest
etc.

→ The Revenue is also reduced due to
COVID-19 and
↳ public spending is reduced

★ Problems in Monetisation:

→ Delay in Process:

↳ Bureaucracy can takes time
to complete the process of
monetisation due to paper
work with huge amount.

→ Corruption:

↳ Possibility of corruption
or selling to a favourable
person or company leads to
extra to discrimination
loss for govt, company
& country.

★ Solutions!

- Need to digitize the system
and the system ;
- The selection should be on
software basis
 - ↳ AI Software will
decide the contract to be
whom should be
provided
 - ↳ there must be some
parameters for select
- The name should be and the
parameters should be announced
publically.

△ Conclusion!

- Yes there is a need to get make
a separate and dedicated committee
for monetisation to achieve the
target and to do the work with
great efficiency.