

WRAP Exams · wrapexams.com

Prelims PYQ, Mains model answers, and copy evaluation. Write to the desk for this paper, a doubt, or the AI waitlist.

ask@wrapexams.com · +91 85951 84903 · wrapexams.com

Q2

(a) Effective utilization of public funds is crucial to meet development goals. Critically examine the reasons for under-utilization and mis-utilization of public funds and their implications. (10 marks) (b) "Non-performance of duty by a public servant is a form of corruption". Do you agree with this view? Justify your answer (10 marks).

UPSC Civil Services Mains 2019 · GS IV · 10 marks · Probity in Governance

Probity in Governance: Concept of public service; Philosophical basis of governance and probity; Information sharing and transparency in government, Right to Information, Codes of Ethics, Codes of Conduct, Citizen's Charters, Work culture, Quality of service delivery, Utilization of public funds, challenges of corruption.

Core demand of the question

- (a) Critically examine reasons for under-utilisation and mis-utilisation of public funds and their implications for development goals
- (b) Agree or not that non-performance of duty by a public servant is a form of corruption, with justification

Revision summary

Under-utilisation is sanctioned money not spent; mis-utilisation is money spent on the wrong or stolen object.

Causes include late release, weak estimates, collusive tenders and fake utilisation.

Both delay or fake development and destroy tax morale.

Wilful failure of duty to extract a bribe or comfort is corruption; lack of staff or drugs is not.

Devotion to duty in Conduct Rules and penal provisions on disobedient public servants support that view.

Introduction

Development is a budget that reaches a school, a road, and a hospital. Part (a) asks why that money often sits unused or is stolen. Part (b) asks whether doing nothing at a public desk is itself a corrupt act.

Body**(a) Under-utilisation and mis-utilisation of public funds**

- **Public funds are taxes, borrowings, and grants held in trust to meet development goals:** nutrition, learning, jobs, and infrastructure.
- Under-utilisation means the money is sanctioned but not spent in time, so a school remains a drawing and a wage remains unpaid.

- Mis-utilisation means the money is spent on the wrong object, a padded bill, a ghost worker, or a project that exists only on paper.

Reasons for under-utilisation

- Late finance releases, rigid budget heads, and fear of audit make officers freeze spending until the last quarter, then rush or lapse the grant.
- **Weak capacity:** a panchayat or a line department that cannot prepare a technically sound estimate will not draw the fund.
- Multiplicity of clearances, land disputes, and court stays stall works after the budget speech has already claimed the scheme.
- Staff vacancies and frequent transfers break the chain from sanction to bill.
- Political announcement without a ready project pipeline produces unused balances that look like thrift and are actually delay.

Reasons for mis-utilisation

- **Corruption in tender, measurement, and muster:** the **Prevention of Corruption Act, 1988** names the private gain; the citizen names the cracked road.
- Leakage through middlemen in subsidies before **Direct Benefit Transfer** shortened some pipes.
- Diversion of a tied grant to a pet work, or booking one scheme's expenditure under another to show utilisation.
- **Populist spending that is lawful on paper but wastes the development rupee:** a statue or a stadium while a primary health centre lacks drugs.
- Weak social audit and a Right to Information culture that is still feared rather than used.

Implications

- **Under-utilisation delays human development:** a child does not wait for the next financial year to eat or to learn.
- Lapsed funds then invite a smaller next budget, so the poor district is punished twice.
- Mis-utilisation raises the cost of every kilometre and every bed, and it teaches the young that the State is a loot.
- **Both failures break trust, which is itself a development input:** people stop paying tax in spirit when they see a ghost school.
- **Macro implication:** fiscal deficit can coexist with empty classrooms if money is borrowed and then either parked or stolen.
- **The ethical repair is the same as the administrative one:** timely release, e-procurement, **Direct Benefit Transfer**, geo-tagged assets, social audit, and punishment that is real, as the **Second Administrative Reforms Commission** argued on ethics in governance.

(b) Non-performance of duty as corruption

- **I agree, with a precise meaning:** when a public servant wilfully fails a duty that the office exists to perform, in order to extract a bribe, a favour, or quiet comfort, that failure is corruption.
- Corruption is abuse of entrusted power for private gain. Private gain includes money, and it also includes the leisure of not working while drawing a salary, and the power of making a citizen wait until a speed-money is paid.
- A clerk who sits on a caste certificate until a cut is paid is not "lazy only"; the delay is the price list.
- A police officer who does not register a cognizable FIR is selling law itself. The Supreme Court's Lalita Kumari line treated registration as duty, not as grace.

- **Section 166** of the Indian Penal Code, 1860 (and the corresponding duty-offence in the newer criminal code) treats a public servant's disobedience of law as a crime, which shows that the legal system already sees non-performance as more than a private mood.
- The Conduct Rules require devotion to duty. Habitual neglect is misconduct, not a lifestyle choice.
- Agreement is not a claim that every honest delay is graft. A hospital with no drugs, or a court with too few judges, is capacity failure, not the nurse's corruption.
- Agreement is not a claim that a good-faith error, a complex file, or a lawful stay is corruption.
- **The test is intention and pattern:** if the officer could act, was bound to act, and did not act so that someone pays or so that the officer is not bothered, the non-performance is a form of corruption.
- **Ethical implication:** a republic should punish the silent desk as well as the stuffed envelope, because both steal the citizen's time and right.

Flow diagram

Public funds -> Under-utilisation
Public funds -> Mis-utilisation
Under-utilisation -> Development delayed
Mis-utilisation -> Development delayed
Wilful non-duty -> Corruption
Capacity gap -> Honest delay

Conclusion

Under-use of funds starves development; mis-use poisons it. Both come from fear, weak capacity, and graft. Wilful non-performance of a public duty, especially as a waiting-charge, is corruption in substance, while honest delay from lack of means is not.

Facts & figures

Direct Benefit Transfer

A Union architecture that pays eligible benefits into accounts to cut middlemen; it reduces one classic form of mis-utilisation, not every form.

Comptroller and Auditor General of India

The constitutional auditor whose reports show both unspent balances and irregular expenditure.

Prevention of Corruption Act, 1988

Criminalises bribery and related abuse; sitting on a file for a cut is the same family of wrongs.

Second Administrative Reforms Commission

Its ethics-in-governance work linked integrity, transparency and citizen charters to better use of public money.

Lalita Kumari principle

The Supreme Court held that police must register an FIR in a cognizable case; refusal of that duty is not a private choice.

WRAP Exams · Write. Read. Analyse. Practice. · <https://wrapexams.com/upsc/mains-answers/gs-4/2019/a-effective-utilization-of-public-funds-is-crucial-to-meet-development-goals-critically-examine-the-reasons-for-under-utilization-and-mis-utilization-of-public-funds-and-their-implications-10-marks-b-non-performance-of/> · ask@wrapexams.com · wrapexams.com