

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

Q11

Case study. Parmal is a small but underdeveloped district. It has rocky terrain that is not suitable for agriculture, though some subsistence agriculture is being done on small plots of land. The area receives adequate rainfall and has an irrigation canal flowing through it. Amria, its administrative centre, is a medium sized town. It houses a large district hospital, an Industrial Training Institute and some privately owned skill training centres. It has all the facilities of a district headquarters. A trunk railway line passes approximately 50 kilometres from Amria. Its poor connectivity is a major reason for the absence of any major industry therein. The state government offers a 10 years tax holiday as an incentive to new industry. In 2010 Anil, an industrialist, decided to take benefits to set up Amria Plastic Works (APW) in Noora village, about 20 km from Amria. While the factory was being built, Anil hired the required key labour and got them trained at the skill training centres at Amria. This act of his made the key personnel very loyal to APW. APW started production in 2011 with the labour drawn fully from Noora village. The villagers were very happy to get employment near their homes and were motivated by the key personnel to meet the production targets with high quality. APW started making large profits, a sizeable portion of which was used to improve the quality of life in Noora. By 2016, Noora could boast of a greener village and a renovated village temple. Anil liaised with the local MLA to increase the frequency of the bus services to Amria. The government also opened a primary health care centre and primary school at Noora in buildings constructed by APW. APW used its CSR funds to set up women's self-help groups, subsidize primary education to the village children and procure an ambulance for use by its employees and the needy. In 2019, there was a minor fire in APW. It was quickly extinguished as fire safety protocols were in place in the factory. Investigations revealed that the factory had been using electricity in excess of its authorized capacity. This was soon rectified. The next year, due to

a nationwide lockdown, the requirement of production fell for four months. Anil decided that all employees would be paid regularly. He employed them to plant trees and improve the village habitat. APW had developed a reputation of high-quality production and a motivated workforce. Critically analyse the story of APW and state the ethical issues involved. Do you consider APW as a role model for development of backward areas? Give reasons.

UPSC Civil Services Mains 2020 · GS IV · 20 marks · Ethics Case Studies

Case Studies on above issues.

Core demand of the question

- **Parmal / Noora:** rocky, poor connectivity. Anil sets up **Amria Plastic Works (2011)** with local labour trained at Amria, profits ploughed into village greening, temple, bus frequency via MLA, PHC and school buildings, CSR for SHGs, education subsidy and an ambulance. 2019 minor fire: safety protocols worked; investigation found electricity used beyond authorised capacity - later rectified. Lockdown 2020: four months of low production; Anil kept paying wages and put staff on tree-planting. Critically analyse APW, ethical issues, and whether it is a role model for backward-area development

Revision summary

APW brought local employment, skill, visible CSR and lockdown wages to Noora.

Fire safety that worked is an ethical plus.

Using electricity beyond authorised capacity was a real breach, later rectified - not a saint's slip to laugh off.

- **Role model for backward-area development:** yes, if compliance, pollution control and open public goods sit beside CSR.

The State still owes connectivity and clinic staff; a firm should not replace the republic.

Introduction

- **APW did what many industrialists only put in a brochure:** local jobs, training, CSR, fire drill, and wages in a lockdown. Excess electricity was still a breach. The ethical reading is a role model with caveats - community plus compliance - not a perfect saint and not a cynic's dismissal.

Body

Stakeholders

- Noora's workers and families, including women in SHGs.
- Anil and APW as a firm using a ten-year tax holiday.
- Amria's ITI and skill centres; the district hospital's referral chain.
- The village commons, the temple, the new PHC and school users.
- Other villages that did not get a factory; the grid that was overdrawn.
- The State that gave tax expenditure, and the environment around a plastics plant.

Critical analysis of the story

- **What is good:** employment near home in a district without industry; training before production; loyalty built by skill, not only by a threat; quality targets met by a motivated local workforce.
- **What is good:** a sizeable share of profit into greener village, bus liaison, buildings for school and PHC, SHGs, education subsidy, ambulance - CSR that is local and visible, not a metro-advertisement.
- **What is good:** fire-safety protocols that actually extinguished a fire; lockdown wages plus habitat work when orders fell - treating labour as persons, not as a variable cost to dump on the highway.
- **What is mixed:** the renovated temple is community meaning for many and a majoritarian signal for some; public ethics prefers shared goods (school, water, clinic) over a single shrine as the flag of CSR, while not mocking the village's faith.
- **What is mixed:** growth via an MLA for buses is ordinary Indian brokerage; it is not a crime, and it is also not a substitute for a railway last-mile the State still owes.
- **What is bad:** electricity beyond authorised capacity is theft of a public good and a fire risk. That it was "soon rectified" after an investigation means the virtue arrived after being caught, or at least after a fire. It stains the saint story.
- **Plastics in a backward district:** jobs versus long-term waste and effluent. The case is silent; ethics asks for consent, pollution control board limits, and not only a green village photograph.
- **Tax holiday:** a public gift. The return must be jobs, tax after the holiday, and lawful utilities - not a quiet extra load on the feeder.

Ethical issues

- **Beneficence and justice to a neglected village:** APW largely meets them.
- **Legal compliance as a non-negotiable:** excess power is a breach of the social contract of industry.
- **Labour ethics:** regular pay in lockdown is above the legal floor many firms crawled under in 2020; that is a plus.
- **CSR versus substitution of the State:** buildings for PHC and school are good; staffing and medicine remain the government's duty. A role-model firm does not become a parallel sarkar that then extracts obedience.
- **Transparency of the power offence:** rectification without a public account would be incomplete ethics.
- **Environment and future workers' health in a plastics plant:** duty of care beyond the CSR ambulance.

Is APW a role model? Yes, with caveats

- **Yes, as a pattern for backward areas:** hire locally, train locally, share surplus in public goods, keep fire protocols, and do not abandon wages when a nationwide lockdown hits.
- **Caveats:** compliance first - authorised electricity, pollution consents, labour registrations, no child labour in the value chain.
- **Caveat:** CSR should emphasise open-access goods (school, health, water, roads) and not only a temple.
- **Caveat:** tax holidays need outcome audits: jobs, women's pay, effluent, and power discipline.
- Not a role model if copied as "be popular in the village and the feeder can wait."
- The ethical industrialist is neither a robber-baron nor a claimed sadhu. APW is close to the mean, after the power breach is treated as a real fault, not as a cute footnote.

Flow diagram

APW -> Local jobs and training
 APW -> SHG school ambulance greening
 APW -> Lockdown wages
 APW -> Fire protocols
 APW -> Excess electricity breach
 Local jobs and training -> Role model with caveats
 SHG school ambulance greening -> Role model with caveats
 Lockdown wages -> Role model with caveats
 Fire protocols -> Role model with caveats
 Excess electricity breach -> Compliance first

Conclusion

APW shows that a factory can civilise a rocky district with jobs, training, CSR and lockdown loyalty. Excess electricity keeps it from sainthood. Use it as a role model only with the sentence: community plus compliance, fire safety plus lawful power, wages plus pollution control.

Facts & figures

Companies Act, 2013, Section 135 CSR

Mandated CSR for qualifying firms; APW's SHGs, school subsidy and ambulance are the spirit of the clause if the spend is real and local.

Electricity Act, 2003

Unauthorised use of electricity is a statutory wrong; 'rectified after a fire enquiry' is mitigation, not innocence.

Factories Act, 1948 and fire safety

Protocols that actually work are the ethical core of a plant that employs a whole village.

Industrial tax holidays

A fiscal gift for backward areas; ethically they require job and compliance audits, not only a foundation stone.

COVID-19 lockdown labour

Many employers cut or delayed wages in 2020; continued pay plus habitat work is a documented ethical surplus relative to that practice.

wrapexams.com

WRAP Exams