Ethics & Morality · GS - IV

A Reputed food product company based in India developed a food product for international market and started exporting the same after getting necessary approvals. The company announced this achievement and also indicated that soon the product will be made available for the domestic consumers with almost sane quality and health benefits. Accordingly, the company got its product approved by the domestic competent authority and launched the product in Indian market. The company could increase its market share over a period of time and earned substantial profit both domestically and internationally. However, the random sample test conducted by inspecting team found the product being sold domestically in variance with the approval obtained from the competent authority. On further investigation, it was also discovered that the food company was not only selling products which were not meeting the health standard of the country but also selling the rejected export products in the domestic market. This episode adversely affected the reputation and profitability of the food company.

1. **What action do you visualize should be taken by the competent authority against the food company for violating the laid down domestic food standard and selling rejected export products in domestic market?**

2. **What course of action is available with the food company to resolve the crisis and bring back its lost reputation?**
3. **Examine the ethical dilemma involved in the case.**

EXAM YEAR	PAPER	SUBJECT
2021	GS - IV	Ethics & Morality

MARKS	WORD LIMIT
20	~250 words

Answer Hint

Consumer safety, food standards, corporate responsibility, regulatory compliance, misleading claims, product recall, accountability, transparency, public health, profit versus ethics, consumer protection, corrective action, corporate reputation

Model Answer

Introduction

The company has potentially violated food-safety standards and betrayed consumer trust by selling products that do not meet approved specifications. The response must protect public health and establish accountability.

Action by the Competent Authority

- **Immediate risk assessment:** Test representative samples and determine the extent of non-compliance.
- **Recall and suspension:** Order recall or suspension of affected batches where necessary to prevent harm.
- **Investigation:** Examine manufacturing records, supply chains, quality-control systems and the sale of rejected export products.
- **Legal action:** Impose penalties or initiate prosecution under applicable food-safety laws, depending on the findings and severity of violations.
- **Corrective compliance:** Require independent testing, quality audits and verified corrective measures before resumption of affected operations.
- **Public communication:** Inform consumers transparently about risks and recall procedures.

Steps for the Company

The company should cooperate with regulators, disclose the facts, recall unsafe products, compensate affected consumers where warranted and investigate managerial responsibility. It should strengthen quality assurance, maintain traceability, introduce independent audits and communicate corrective actions honestly. Reputation must be rebuilt through demonstrated compliance, not advertising alone.

Ethical Dilemmas

- Profit maximisation versus consumer health.
- Corporate secrecy versus transparency.
- Short-term reputation management versus long-term accountability.
- Export-market standards versus equal respect for domestic consumers.

Conclusion

The regulator must prioritise public health and apply proportionate, lawful enforcement. The company can regain trust only by accepting responsibility, correcting failures and treating Indian consumers with the same standards of safety and dignity as international customers.

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