



## **REGIME SYSTEM**

Vikrant Mehta stood at the window of his office looking out over the shipyard, which lay beyond it. The yard belonged to Mehta & sons, the company he owned and of which he was general manager. Until last

year the yard had been a busy place but the yard was quiet now; there was no work, there had been none for six months. There was no realistic hope of a sale, and the people of the nearby town prepared themselves for the yard to close. Currently, Mehta & sons still employs over 1200 people and is the only significant employer in the coastal town of Mandwa. Only a few orders for repairs and refits had come in, and these had not been enough to make the yard break even. To keep men employed and meet payroll commitments, Mehta had pumped all of his own considerable savings into the firm. He had also sought to borrow capital from elsewhere, from friends and acquaintances in London and from every bank in the country. Meanwhile, his chief accountant warned him that there was only enough money to keep the yard open until the end of February 2013. Day before yesterday, he received a contract from a Turkish firm for building oil tankers. But it came with a huge problem. The Turkish offer was not very profitable as Mehta & sons was a struggling company right now. Still Mr. Mehta decided to go ahead with the offer. Yesterday he had a meeting with the officials of the Ministry of Marine, Govt of India. The meeting was brief and Mr. Mehta was a sorry face after that. The contract required the authorization of the Minister of Marine. And unless Mehta paid a bribe of Rs 25 crore to the Minister of Marine, that authorization would not be forthcoming. There would be no contract, and Mehta and his firm would be right back where they started from. Mehta spent a sleepless night. Instinctively, he shrank away from paying the bribe. All of his life, he had believed that bribery was immoral and dishonorable. He had never paid a bribe before; in fact, he had never been asked to pay one. His first thought was to refuse to pay the bribe. But the men from the Ministry of Marine had been very clear. Without the bribe, there would be no authorization, and without the authorization, there would be no contract. The fact that his own

life's savings would be lost too hardly entered his head. As an entrepreneur, he was used to starting businesses from scratch and making them pay. It was the people of the town, who had trusted him, to whom he felt most responsible. Vikrant mehta was still nonearer to a conclusion. He had to choose one option either fall prey to this regime or stick to his principles.

Going by the above case study, throw light on the regime system in India and its impact on the clean society!

**NOTE:** An ambiguous case has been given to you. This case may be guideline for this topic For any queries please contact us:

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