

## Calcutta Notebook

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The Tatra truck scam unfolds like an unending chain reaction. Revelations, one after another, bring out stupefying details. Much before General V K Singh divulged the alleged Rs 14 crore kickback offer, Czech website <http://www.ceskapozice.cz> carried an explosive interview with Vaclav Laska, a former high-ranking police investigator, lawyer and an ex-regional head of watchdog Transparency International on 27 April last. The major stakeholder of the Czech truck manufacturer faced severe financial crisis due to tunneling and tax evasions. Speaking to the widely read Czech daily *Pravo*, Laska disclosed that a criminal complaint was lodged against the management of Tatra trucks and one of the firm's major shareholders, Indian businessman Ravinder Kumar Rishi, deputy chairman of Tatra's supervisory board, and the owner of Vectra Limited. The sale of truck parts at knock-down prices to India via an intermediary British outfit damaged the company, it stated. Criminal complaint from the Czech government is too crucial for the Indian ministry of defence (MoD) to ignore. "If the criminal complaint is deemed to be justified, steps could be taken which will curtail further losses and also stop additional tax evasion," Laska told *Pravo*.

The Czech manufacturing firm which has been supplying complete knock-down kits containing all the components of haulage to the India's central public sector undertaking BEML where the vehicles are assembled, incurred losses running into millions of crowns. Laska told the Czech morning paper, "The Tatra company sells kits to the British company Vectra Limited without a profit margin, and even at prices lower than the cost of manufacturing. All margins from this business go only to the accounts of the British company. The fact that the representatives of Tatra allow these transactions clearly contradicts the principles of sound economic governance."

Was the MoD, particularly the defence minister A K Antony unaware of the news in one of the largest selling dailies in Prague? It's very unlikely. Diplomats at the Indian embassy in Prague read and scan the Czech daily regularly. The so-called defence analysts might have kept their eyes closed and ears shut as these pundits keep defence establishment in good humour all the time. About the Institute of Defence Studies and Analysis which receives substantial funds from the MoD, the less said, the better.

British-registered intermediary firm Vectra Limited, frequently purchased the CKD kits at below production cost. The role of biggies at the helm of the Indian PSU BEML which assembles the vehicles and their bonhomie with their counterparts in Vectra Limited that frequently purchased the CKD kits at below production cost is murky and has to be probed. Let the defence pundits be kept at bay Rishi has been the de facto negotiator for both Tatra and Vectra. Laska snapped fingers at Rishi for indulging in misinformation for pecuniary gains. In 2010, alone Tatra sold 600 CKD kits to the BEML ( other than additional commitment of 460 kits in the same year).

Doubts about under-the-table deals are no hearsay based, nor is the total amount of kickbacks confined to barely Rs 14 crore. The subterranean transactions in which were involved people who were not in uniform must have been several times more. Trucks produced by Tatra, one of the world's oldest manufacturers of motor vehicle, enjoyed a high reputation during the 'communist' era. The quality of the trucks is not known to have been questioned. The successful launch of Agni-ICBM was from Tatra trucks. The question is about the murky role of arms dealers or the intermediaries for whom business ethics has no meaning. □□□