



On Thursday Ratan Tata, the chairman of India's biggest business house, rebutted allegations by Rajya Sabha MP Rajeev Chandrasekhar. ET brings you excerpts from the letters

RAJEEV CHANDRASEKHAR'S OPEN LETTER TO RATAN TATA

'Tatas biggest gainers of out-of-turn spectrum'

Out-of-Turn Allocation of Spectrum

According to the CAG Report, the potential loss to the exchequer on account of dual technology licences at 3G rates is ₹37,154 crores. By virtue of dual technology — according to the CAG — your company has caused a loss to the exchequer to the tune of approx ₹19074.8 crores.

But it is not just this. It is a fact that the Tata Group is a beneficiary of out-of-turn spectrum. In fact, one of the biggest of them all.

Hoarding of spectrum by incumbent operators

But the charge of hoarding that you make applies equally to Tata Tele — whether it is total spectrum held or subscribers served based on that spectrum, or price paid to acquire such spectrum, vis-a-vis the cumulative efficiency of CDMA and GSM.

Flip-flop policy

You would recall that one of the most horrific distortions of policy was the infamous WLL scam in 2001 — where telecom companies with fixed service licences managed to muscle their way into cellular with active support of policy

makers of that time

Your company was the beneficiary of this 'policy flip-flop' and you chose to accept the benefits of this flip-flop at that time — despite this blatant violation and distortion. I am personally aware because I led the fight against it and remember being immensely disappointed at the Tata Group's remarkably self-serving position. Further, in one of the most mysterious and indefensible acts, Tata Group took on board as a consultant, the very individual, who as the chairman of TRAI was the architect of this UASL and other shames.

RAJEEV CHANDRASEKHAR'S RESPONSE TO RATAN TATA

I am only disappointed, but no longer surprised, that in sharp contrast to my efforts to go out of the way to keep this debate relating to facts and policy discussions — your letter is intensely personal, attributes feeble motives (including amusing political ones) and most unbecoming of the House of Tatas. I can only think that this is a lapse in good judgement. I particularly find your self-appointed defence of the Prime Minister and government very irrelevant.

On facts, your letter is not just exceptionally weak, but in fact, refuses to engage on the issues that I had raised — the yawning gap between what you say in public and what your companies do.

RATAN TATA'S RESPONSE

'We haven't wavered in upholding our values'

● On the issue of various allegations you have made on the so-called benefits gained by TTSL, so called out-of-turn allotment that you claim have been given by DoT, you have chosen to misrepresent the facts as they suit you to justify the claims you have made. The true position is that TTSL has not — I repeat not — been advantaged in any way by Mr Raja or any earlier minister. The company has strictly followed the applicable policy and has been severely disadvantaged, as you are well aware, by certain powerful politically connected operators who have willfully subverted policy under various telecom ministers which have subsequently been regularised to their advantage

● I believe that TTSL was the only operator that returned spectrum when demanded by DoT. The CAG report clearly indicates which of the powerful GSM operators are holding spectrum beyond their entitlement free of cost and at the detriment of the other operators

● You yourself have interacted with Niira Radia on some occasions in the past and it is therefore amazing that you should now, after nearly 9 years, seek to question Tatas appointment of Vaishnavi. Also, the statement regarding Tatas employing Mr Baijal is completely false. Vaishnavi is neither owned by the Tata Group nor is the Tata Group Vaishnavi's only client. Mr Baijal, whom you apparently have a dislike for, is part of Noesis, (an affiliate of Vaishnavi in which Tatas have no ownership) and, as facts will show, on various occasions has differed with the Tata Group during his period in office and has not advocated or influenced telecom policy for the Tata Group in any way

● You have chosen to lecture me on the responsibilities of upholding the ethics and values which the Tata Group has honoured and adhered to through the years. I can say categorically that we have not wavered in upholding our values and ethical standards despite the erosion in the ethical fabric in the country and despite the efforts of others to draw us into controversy and endeavour to besmirch our record. When the present sensational smokescreen dies down, as it will, and the true facts emerge, it will be for the people of India to determine who are the culprits that enjoy the political patronage and protection and who actually subvert policy and who have dual standards

