809

PREM 19/1273

PART 3 TOP SECRET Confidential Films

VK I Indian Relations

AIGNI

Pt 1: May 1980

Pt 3: Nov. 1982

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Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
Referred to 22 11-32 9-12-82 14-12-83 14-12-83 15-6-	Date	Referred to 29-12-83 9-1-84 18-1-84 18-1-84 27-2-84 27-2-84 Paudo	Date	Referred to	Date	Referred to	Date
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PART 3 ends:-

AJC to PM 27.2.84

PART 4 begins:-

Lord Aldington to PM 5.3.84.

TO BE RETAINED AS TOP ENCLOSURE

Cabinet / Cabinet Committee Documents

Reference	Date
EX(84) 1 st Meeting, only item	15/02/1984
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	中国工厂工作场中军各

The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES

Signed J. Gray Date 25/6/2013

PREM Records Team



10 DOWNING STREET

PRIME MINISTER

INDIAN HIGH COMMISSIONER

A somewhat embarrassed
Dr. Muhammad rang me this
afternoon to say that the
Indian Government, despite all
his farewell calls, had now
asked him to stay on until
May. I promised to let you
know.

A. J.C.



PIECE/ITEM 1273 (one piece/item number)	Date and sign
Buller to Fall dated 27 February 1984	
CLOSED FORYEARS UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	25/6/2013 5. Gray
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LETTERCODE/SERIE	ES	
	GRA 168	
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Please Sign and Date in the box adjacent to the description that applies to the document being replaced by the Dummy Card

If the document is Closed under a FOI exemption, enter the number of years closed. See the TNA guidance *Preparation of records for transfer to The National Archives*, section 18.2

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JF5804

Secretary of State for Trade and Industry

DEPARTMENT OF TRADE AND INDUSTRY 1-19 VICTORIA STREET LONDON SWIH 0ET

Telephone (Direct dialling) 01-215)

5722

GTN 215)

(Switchboard) 215 7877

27 February 1984

The Rt Hon Timothy Raison MP
Minister for Overseas Development
ODA
Eland House
Stag House
LONDON
SW1

N. L. J. T.

A J. C. 2

D. Tim.

WESTLAND HELICOPTERS FOR INDIA

Thank you for your letter of 23 February in which you propose informing the Indian authorities that the amount of aid on offer remains at £50m and that non-military registration is a condition of our granting aid. On Friday, my Private Secretary explained to yours that I was not here to consider your proposal and that I would reply today.

So far as the registration of the helicopters is concerned, the issue was discussed at the UK/Indian aid talks in Delhi last week. The Indian Government have agreed with your officials that they would provide us with an explanatory note on the problems of registration on the basis of which we would consider whether the present conditions on non-military registration could be relaxed. The British High Commission are following this up with the Indian authorities now. I think that we must consider what the Indians propose before coming to any final position.

On the amount of aid required, the Indians have argued that our offer does not cover the full amount of the package because they have pressed Westlands for a much larger spares element; the helicopter prices have not moved up. Clearly, I would not wish to argue that we should simply meet the full cost, whatever it may be. But much more importantly, the Indians have explained to our officials that the French package overall produces a lower foreign exchange cost than the Westlands bid with our present aid package. Our immediate priority must therefore be to determine what the French government aid offer is and what Westlands would be able to do to help bridge any gap. My



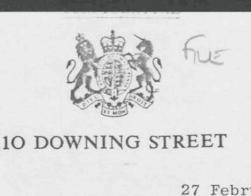
officials are pursuing both these points urgently. ECGD, the British Embassy in Paris, and the British High Commission in New Delhi are attempting to clarify the French aid offer. We were reasonably forthcoming to them on our position, and we shall see whether they return the compliment. Discussions with Westlands are also under way.

The Indians have not, I believe, sought a swift response from us on either the amount of aid or non-military registration. For all these reasons, I do not believe that we can come to a sensible decision on all this until the issues have been clarified.

I think that our officials should get together and that we should consider what exactly needs to be done on the basis of better information.

NORMAN TEBBIT





From the Private Secretary

27 February, 1984

INDIA: WESTLAND HELICOPTERS

The Prime Minister saw over the weekend Mr. Raison's letter of 23 February to the Secretary of State for Trade and Industry.

Mrs. Thatcher has asked whether the increase in the price for the 21 Westland helicopters from £50 million to £63.78 million is due to an initiative by Westland. If it is they who have increased the price, the Prime Minister is of the view that they ought to reduce it since we do not wish to lose this valuable business.

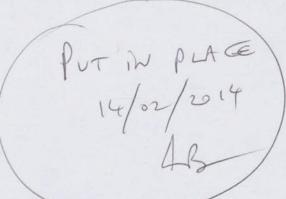
I am copying this letter to Peter Ricketts (Foreign and Commonwealth Office), Callum McCarthy (Department of Trade and Industry) and to John Gieve (Chief Secretary's Office).

E. D. COLES

M.A. Power, Esq., Overseas Development Administration

CONFIDENTIAL





LETTERCODE/SERIES PLECE/ITEM 1273 (one piece/item number)	Date and sign
Extract/Item details: Fall to Buller Sated 27 February 1984	
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Foreign and Commonwealth Office

London SWIA LAIL

23 February 1984

Den Robin

Amritsar

You asked for a report on the visit by to India to advise the Indians on their intention to divest the Golden Temple of Sikh extremists. has reported as follows:

- The spent eight days with the Indians. He travelled and operated . Our speedy response to the Indians' request for assistance was much appreciated by them and they put every facility at the disposal of their visitor. He made a ground reconnaissance of the Golden Temple complex in Amritsar on 10 February, flown there by special helicopter. It was clear to the officer that the Indians had not given much thought to how they should root out the extremists, beyond applying the 'sledgehammer to crack a nut' principle. With his own experience and study of this kind of problem, he was able to advise the Indians of a realistic and workable plan which Mrs Gandhi approved on her return from Moscow on 16 February.
- b. Sir R Wade-Gery, who was most impressed by the officer, made three points to him at the beginning of his visit:
 - (i) Our reaction to the Indian request can have done Anglo/Indian relations nothing but good;
 - (ii) It was therefore vital that there should be no leak about the visit. If there were, it would be extremely embarrassing for both sides, and, if the leak sprang from us, the Indians would never forgive us;
 - (iii) if and when the Indians put the plan into operation and if it went wrong, they should not be able to pin any blame on us.

/On this

TOP SECRET AND PERSONAL

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On this last point, a difficult one, the draws attention to likely difficulties and various requirements that need to be fulfilled if the plan is to have a reasonable chance of success.

c. In summary, believe that this was a very useful visit which passed off well and should have left the Indians well satisfied. It remains to be seen whether Mrs Gandhi has the political will to act. The officer had the impression from the Indians that she would proceed.

have seen the telegram from New Delhi reporting the shooting in the Gold Temple last weekend and the deployment of a 'commando squad'. The was not present at the time. do not consider that the shooting arose from an attempt by the Indian authorities to implement their plan, but believe that the arrival of the commandos, if confirmed, could presage an operation.

In view of the possible repercussions among the Sikh community here of any action by the Indian authorities against the extremists in the Temple, I shall be writing separately to the Private Secretary to the Home Secretary (as wes agreed in the earlier correspondence).

I am copying this letter to Richard Mottram (Ministry of Defence) and to Richard Hatfield (Cabinet Office).

Polis 21 2

(B J P Fall) Private Secretary

F E R Butler Esq 10 Downing Street THIS IS A COPY. THE ORIGINAL IS RETAINED UNDER SECTION 3 (4) OF THE PUBLIC RECORDS ACT



Foreign and Commonwealth Office

London SW1A 2AH

23 February 1984



Den Mugh

Sikh Community

The Home Secretary will have seen press reports of communal violence in the Punjab. The Foreign Secretary wishes him to be made aware of some background which could increase the possibility of repercussions among the Sikh communities in this country.

The Indian authorities recently sought British advice over a plan to remove Sikh extremists from the Golden Temple in Amritsar. TheForeign Secretary decided to respond favourably to the Indian request and, with the Prime Minister's agreement, an SAD officer has visited India and drawn up a plan which has been approved by Mrs Gandhi. The Foreign Secretary believes that the Indian Government may put the plan into operation shortly.

An operation by the Indian authorities at the Golden Temple could, in the first instance, exacerbate the communal violence in the Punjab. It might also, therefore, increase tension in the Indian community here, particularly if knowledge of the SAS involvement were to become public. We have impressed upon the Indians the need for security; and knowledge of the SAS officer's visit and of his plan has been tightly held both in India and in London. The Foreign Secretary would be grateful if the contents of this letter could be very strictly limited to those who need to consider the possible domestic implications.

I am copying this letter to Robin Butler (No 10), Richard Mottram (MOD) and Richard Hatfield (Cabinet Office).

Johns ever

(B J P Fall) Private Secretary

Hugh Taylor Esq Private Secretary to the Home Secretary HOME OFFICE to confirm their assurances that the helicopters would be under civil registration. The £50 million figure was based on prices put forward by Westland to the Indians and included allowances for necessary spares and for price escalation.

We now have telegrams from Delhi reporting that the Indians will not be able to dispense with military registration for the helicopters; also that the price which Westlands are now providing to our officials as the "bottom line" for negotiation with the Indians is £63.78 million for Westland, plus a Rolls Royce support package of £9.5 million.

On the question of military registration, there is no need to repeat the arguments already put forward and considered by EX, and I propose to reaffirm to the Indians, through our High Commission, that this is a condition of aid.

On the question of price, we cannot be taken for a ride in this way, nor can British suppliers assume that if aid of a certain amount is promised, that amount can be increased at their convenience. Again, I propose to inform Delhi that the amount of aid on offer remains as agreed, ie £50 million.

Unless you have any objection, I should like to get a telegram off this week. The longer we leave these misunderstandings uncorrected, the more difficult it is going to be.

I am copying this letter to the Prime Minister, Geoffrey Howe, Peter Rees and Janet Young.

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who want to what reliable is TIMOTHY RAISON

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India: VX Relations P73

FILE JH SUBJECT C. MASTER SET 10 DOWNING STREET 15 February, 1984 From the Private Secretary Indian Minister of State for Education, Culture and Social Welfare Mrs. Kaul called on the Prime Minister this afternoon, accompanied by the Indian Deputy High Commissioner. The conversation lasted for about 30 minutes. The Prime Minister said that we were deeply upset about the recent assassination of the Indian Assistant High Commissioner in Birmingham. The discussion then turned to Mrs. Kaul's current visit to this country. She told the Prime Minister that she had been very impressed by what she had seen of the use of computers in British schools. India was planning to introduce computers into 250 schools as a pilot project. The conversation then turned to the Indian education system in general and was of a discursive nature. (I am accordingly not recording it.) I am copying this letter to Peter Ricketts (Foreign and Commonwealth Office). A. J. COLES Miss C. E. Hodkinson, Department of Education and Science

CALL ON THE PRIME MINISTER BY MRS SHEILA KAUL, INDIAN MINISTERS OF STATE FOR EDUCATION, CULTURE AND SOCIAL WELFARE 15 FEBRUARY 1984 1600 HOURS ATTENDANCE Mrs Kaul will be accommpanied by the Deputy High Commissioner for India, Shri Pushkar Johari. BACKGROUND The Indians have as yet done very little in regard to introducing new technlogy into their schools that they want rapidly to develop programs to remedy this. To encourage them, we recently agreed a plan of action with them, a copy of which is at Ref A. We believe that this might well lead to very substantial export orders for British micros with accompanying software and teacher training packages. 3. Mrs Kaul, who is Mrs Ghandi's aunt, is visiting this country to see what we are doing in regard to new technology in schools. further mission - under Item 1 of the Plan of Action - is expected soon. The Programme for Mrs Kaul's visit is at Ref B - all the events seem to have gone well although Mrs Kaul is understandably rather tired. 5. A Background Note on Mrs Kaul is at Ref C. A political background brief is at Ref D. POINTS TO MAKE The Prime Minister may like to express her condolences over the recent assassination of the Indian Assistant High Commissioner in Birmingham; ii. express the hope that the visit has been useful and that the Indians will be able to make substantial progress in introducing new technology into their schools; iii. say that we are ready to proceed with the various elements of the Plan of Action as soon as the Indians wish.

PLAN OF ACTION FOR INDO-BRITISH CO-OPERATION IN THE FIELD OF COMPUTER EDUCATION IN SCHOOLS

The Government of the Republic of India (hereinafter referred to as "the Government of India") and the Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as "the Government of the United Kingdom");

Recalling the Memorandum of Understanding signed at New Delhi on 16 April 1981 under which the two Governments entered into arrangements to cooperate in the area of application of computers in education and training;

Considering that the Government of India is contemplating initiation of a programme of computer education in secondary schools and that the Government of the United Kingdom has launched a similar programme for British schools;

Desiring to cooperate in the sharing of experience and education software and training programmes;

In accordance with the aforesaid Memorandum of Understanding, enter into the following arrangements:

(1) The Government of the United Kingdom will extend an invitation to an Indian team to visit the United Kingdom and to understand first-hand the British programme of computer education in schools and all such programmes aimed at creating computer literacy and computer awareness at various levels in the British educational system. Experience in setting up this programme, in the infrastructure for training of teachers and in the

provision of appropriate hardware and software will also be shared fully with the visiting team;

- (2) The Government of India will invite a team from the United Kingdom consisting of people who are intimately involved with aspects of implementation of the British programme with a view to jointly assessing the applicability of the British experience in Indian schools and to investigating how the programme should be modified to suit Indian requirements. The Government of the United Kingdom will consider supporting the Indian effort where necessary through the provision of computer hardware and software, educational software from appropriate sources in the United Kingdom and the provision of training and consultancy;
- (3) The Government of the United Kingdom will consider a request from the Government of India to cooperate in developing computer assisted . instruction software and related software tools;
- (4) The Government of the United Kingdom will consider a request from the Government of India to provide films, audio-visual software, printed and other material which may be relevant to the above programme. The sources may include the British Broadcasting Corporation, the Open University, the Micro Electronic Education Programme and the National Computing Centre and any other agencies which may have developed such material;

(5) Any other activities which may be relevant to the objectives of the Indian computer education programme may also be incorporated under these arrangements.

Sigred at New Delhi on 11 January 1984

Robert houlden z

For the Government of the United Kingdom of Great Britain and Northern Ireland For the Government of the Republic of India



HER MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Visit of Shrimati Sheila Kaul Minister for Education, Culture and Social Welfare of the Republic of India

PROGRAMME AMENDMENTS

TUESDAY, 14 FEBRUARY

1920 hrs	Leave the hotel
1935	Arrive at the Residence of His Excellency the High Commissione for India 9 Kensington Palace Gardens, W.8
1930 for 2000	Dinner given by His Excellency the High Commissioner for India and Shrimati Muhammad Dress: Lounge Suit

WEDNESDAY, 15 FEBRUARY

1550 hrs	Leave the hotel
1600	Arrive 10 Downing Street
18	Call on the Prime Minister, The Rt. Hon. Margaret Thatcher, M.P.
1645	Leave 10 Downing Street
1810	Arrive London Heathrow Airport Hillingdon Suite

Shrimati Sheila Kaul, Minister for Education, Culture and Social Welfare of the Republic of India, will be accompanied by:

Professor A. Chandra, Director, Manpower Division, Department of Electronics

Professor H. N. Mahabala, Head, Department of Computer Sciences, Indian Institute of Technology, Madras

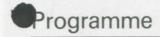
Shri F. L. Kaushal, Special Assistant

In attendance:

Group Captain Anthony O'Neill-Government Hospitality

The visitors will stay at:

The Savoy Hotel Strand, W.C.2



FRIDAY, 10 FEBRUARY

1130 hrs	Arrive London Heathrow Airport by Flight Al 109 from Bombay Hillingdon Suite
	Met by the Parliamentary Under-Secretary of State, Department of Education and Science, Mr. Robert Dunn, M.P.
1150 (approx)	Leave the Airport by car accompanied by Mr. Robert Dunn, M.P.
1240 (approx)	Arrive Savoy Hotel Strand, W.C.2
1300	Luncheon with Mr. Robert Dunn, M.P. River Restaurant
1415	Leave the hotel
1425	Arrive Department of Education and Science, Elizabeth House, York Road, S.E.1 North Entrance
1430	Call on the Secretary of State for Education and Science, The Rt. Hon. Sir Keith Joseph, M.P.
1500	Meeting with the Assistant Under-Secretary of State, Department of Education and Science, Mr. D. G. Libby
1630	Leave Department of Education and Science
1640	Arrive at the hotel

Private engagement during the evening

SATURDAY, 11 FEBRUARY

1000 hrs

Presentation of the Microelectronics Education Programme given by the Director, Microelectronics Education Programme, Department of Education and Science,
Mr. Richard Fothergill

The Gondoliers Room

1230 Luncheon with Mr. Richard Fothergill for *River Restaurant* 1245

1430 Resume presentation of the Microelectronics (approx) Education Programme to The Gondoliers Room

1915 Arrive London Coliseum St. Martin's Lane, W.C.2

Leave the hotel

1930 Attend a performance of "La Traviata"
Host: Assistant Secretary, Department of
Education and Science,
Mr. G. J. Mungeam
Dress: Lounge Suit

UNDAY, 12 FEBRUARY

Sightseeing during the morning

No official engagements during the afternoon and evening

1905

MONDAY, 13 FEBRUARY

DESCRIPTION OF	
0900 hrs	Leave the hotel
1030	Arrive at the Open University Walton Hall, Milton Keynes, Buckinghamshire
	Met by the Pro-Vice Chancellor (Continuing Education), Professor Ralph Smith
	Presentation on "Distance Learning"
	Luncheon given by the Open University Host: The Pro-Vice Chancellor (Continuing Education), Professor Ralph Smith
1410	Leave the Open University
1430	Arrive Stantonbury Campus Milton Keynes
	Met by the Deputy Chief Education Officer, Buckinghamshire, Mr. D. P. Davison and the Director, Stantonbury Campus, Mr. G. Cooksey and the Head of Computer Studies, Mr. A. Fluck
1600 (approx)	Leave Stantonbury Campus
1730 (approx)	Arrive at the hotel
1925	Leave the hotel
1935	Arrive 1 Carlton Gardens, S.W.1
1930 for 2000	Dinner given by Her Majesty's Government Host: The Secretary of State for Education and Science, The Rt. Hon. Sir Keith Joseph, M.P. Dress: Lounge Suit

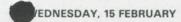
UESDAY, 14 FEBRUARY

0815 hrs	Leave the hotel
0915	Arrive Nowerhill High School Pinner Road, Pinner, Middlesex
	Met by the Head Teacher, Mr. S. P. Hensby and the Teacher in charge of computers,
	Mrs. S. Chambers
1030	Leave Nowerhill High School
1130	Arrive B.B.C. Head Office, Broadcasting House, Portland Place, W.1
	Met by the Head of the Educational Broadcasting Service and Educational Secretary to the B.B.C., Dr. Jim Stevenson
1300	Luncheon given by the B.B.C. Host: The Head of the Educational Broadcasting Service and Educational Secretary to the B.B.C., Dr. Jim Stevenson
1530	Leave B.B.C.
1545	Arrive at the hotel
1645	Leave the hotel
1655	Arrive Department of Trade and Industry 1 Victoria Street, S.W.1
1700	Call on the Minister of State for Industry and Information Technology, The Rt. Hon. Kenneth Baker, M.P.
1730	Leave Department of Trade and Industry
1740	Arrive at the hotel

Continued on next page

TUESDAY, 14 FEBRUARY (Contd.)

1900 hrs	Leave the hotel
1910	Arrive Office of the High Commissioner for India India House, Aldwych, W.C.2
1915 for 1930	Dinner given by the Minister for Education, Culture and Social Welfare Dress: Lounge Suit



Committee of the commit	
0920 hrs	Leave the hotel
0930	Arrive Department of Education and Science Elizabeth House, York Road, S.E.1 North Entrance
	Meeting with the Assistant Under-Secretary of State, Department of Education and Science, Mr. D. G. Libby
1050	Leave Department of Education and Science
1100	Arrive British Council 10 Spring Gardens, S.W.1
	Met by the Deputy Director General, Mr. R. Cavaliero
	Discussions with officials on training requirements
1235	Leave British Council accompanied by Mr. R. Cavaliero
1245	Arrive Claridge's Brook Street, W.1
1245 for 1300	Luncheon given by British Council Host: The Deputy Director General, Mr. R. Cavaliero Mirror Room
1430 (approx)	Leave Claridge's
1440 (approx)	Arrive at the hotel
1700	No official engagements during the afternoon
1700	Leave the hotel

WEDNESDAY, 15 FEBRUARY (Contd.)

10

1810 hrs Arrive London Heathrow Airport Hillingdon Suite

1830 Board Flight Al 124 departing at 1850 hours for Bombay

The Assistant Under-Secretary of State, Department of Education and Science, Mr. D. G. Libby, will bid farewell

DIRECTORY

Government Hospitality 2 Carlton Gardens, S.W.1	01-214 8674
Department of Education and Science	
Elizabeth House, York Road, S.E.1	01-928 9222 ext. 2288
Office of the High Commissioner for India	
India House, Aldwych, W.1	01-229 7241
London Heathrow Airport	
Hillingdon Suite	01-759 4321 ext. 5276
Savoy Hotel	04 006 4049
Strand, W.C.2	01-836 4343
London Coliseum	01-836 3161
St. Martin's Lane, W.C.2	01-836 3 16 1
Open University	0000 74004
Walton Hall, Milton Keynes, Buckinghamshire	0908 71231
Stantonbury Campus	
Milton Keynes, Buckinghamshire	0908 314055
1 Carlton Gardens, S.W.1	01-214 6352
Nowerhill High School	
Pinner Road, Pinner, Middlesex	01-863 1306
B.B.C.	04 500 4400
Head Office, Broadcasting House, Portland Place, W.1	01-580 4468
British Council	01 020 0400
10 Spring Gardens, S.W.1	01-930 8466

KAUL, MRSSHEILA

Minister of State for Education since 1980

Born Lucknow 7 February 1915. Entered Parliament in 1971 becoming General Secretary of the Congress Party in 1975. Lost in 1977 election but re-elected from Lucknow in January 1980. Became Minister of State for Education in August 1980. Led the Indian delegation to the UN Commission on the status of women in 1980.

An aunt of Mrs Gandhi, she is reputed to be a close friend and confidante of the Prime Minister. A keen sportswoman with a wide range of pastimes including badminton, gardening, music, cinema, drama and art.

Warm and approachable. Her late husband (who died in 1982) was Professor K N Kaul, a former Vice-Chancellor of Kanpur Agricultural University. They lived in London during the Second World War when he was working at Kew Gardens. They have two sons and one daughter.

Nech

INDIA

POLITICAL BACKGROUND BRIEF

INTERNAL AFFAIRS

- 1. Mrs Gandhi has ruled India since 1966, except for the period March 1977-January 1980. She returned to power for a five-year term in January 1980. Mrs Gandhi rules in a highly autocratic and personalised manner, relying on a small group of advisers including her one surviving son, Rajiv.
- 2. 1983 was a difficult year for Mrs Gandhi. In January, her party, Congress (I) was badly and unexpectedly beaten in elections in the southern states of Andhra Pradesh and . Karnataka, two former strongholds. Congress (I) did somewhat better later in the year in elections in Delhi, and Jammu and Kashmir, but the party's performance must still give Mrs Gandhi much cause for concern.
- 3. The authority of Mrs Gandhi's government and of her party has also been challenged by persistent demands for greater regional autonomy. In Assam, elections in February, 1983 were marked by widespread violence and many deaths. In Punjab, the extremist fringe of the Sikh opposition party, the Akali Dal, resorted to violence in pursuit of demands for greater autonomy, economic concessions and privileges for the Sikh religion. In early October 1983 Punjab was placed under

/President's

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President's Rule after the murder of Hindus by Sikh extremists. The police and army were given extensive powers in the state, but sporadic violence continues. Violence in Sri Lanka in Summer 1983 agitated Tamils in South India. Nonetheless, although these movements present a political and public order problem, there is no real threat to the integrity of the Indian state.

Mrs Gandhi must call a general election by January 1985 There has been speculation that she might call an early election, perhaps in the first half of 1984, but a date later in the year looks increasingly likely, At present, the opposition parties, none of them of genuinely all Indian scope, do not offer a coherent alternative, though several of them .. have recently coalesced into two main alliances and efforts continue to form a united front against Mrs Gandhi's party. She might therefore prefer to wait in the hope that their unity efforts collapse, and use the time to strengthen her party. Present trends suggest however that whenever the election takes place Congress (I) would win, though with a reduced majority. However, Congress, even at the height of its popularity, has never won more than 46% of the votes in a general election. It cannot therefore be assumed that Mrs Gandhi will still lead the Indian Government 12 months hence.

/EXTERNAL

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EXTERNAL RELATIONS

- 5. India is a leading member of the Non-Aligned Movement and currently chairman. As part of the follow-up to the Non-Aligned Summit in March 1983 Mrs Gandhi invited Heads of State and Government of UN member states to meet in New York during the General Assembly. Attendance at the two informal summit meetings in September 1983 was limited (the Prime Minister did not attend but met Mrs Gandhi on the margins). It is unlikely that the outcome met Mrs Gandhi's original expectations.
- 6. India continues to see the Soviet Union as her most consistent friend and supporter, providing a make-weight against both China and a US-backed Pakistan. Close relations with the Soviet Union are thus based on the perception that they are necessary to India's interests and reflect the Soviet Union's conduct towards her, rather than deriving from any ideological attraction.
- 7. Relations with the United States, very poor for over a decade, took an upward turn with Mrs Gandhi's visit there in the Summer of 1982. The main achievement was an improvement in atmosphere. However, the relationship remains vulnerable to misunderstandings, in particular about US support for the Pakistan Government and US failure to provide spares and support for an American-built nuclear power station in India, but, most recently, about allegations that US diplomats have been engaging in espionage in India. To help balance India's ties with the

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Soviet Union, Mrs Gandhi has placed particular emphasis on developing India's links with Europe, the UK and France in particular, and these are now much stronger than they were a few years ago.

- 8. After a long period of strained relations following the 1962 incident, China and India exchanged Ambassadors in 1976. Relations were set back in 1979 when China invaded Vietnam whilst the then Indian Foreign Minister was in China. India's recognition of the Heng Samrin regime in Phnom Penh in 1980 angered the Chinese. Nonetheless, border talks opened in Peking in December 1981, with further rounds in May 1982 and in January and October 1983. Little progress on issues of substance seems to have been made, but the atmosphere was good and both sides have made it clear that they wish the dialogue to continue.
- 9. Relations with Pakistan are often brittle. The key areas of difficulty are Kashmir and Indian concern that Pakistan is continuing its programme to acquire a nuclear explosive capability. Over the past two years, attempts at rapprochement by the two sides led to the conclusion on 10 March 1983 of an agreement establishing a Joint Commission. There have been talks aimed at reconciling a Pakistani draft of a 'No War Pact' and an Indian draft of a 'Friendship Treaty'. The atmosphere was chilled in the latter half of 1983 by Indian comment on political disturbances within Pakistan and the Pakistan comment on political disturbances within Pakistan and the Pakistan

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 Mr Parthasarathy, has been attempting to mediate between the Tamil minority and the Sri Lankan Government. These efforts have made some progress, but the final outcome is very uncertain.

 Meanwhile, the Indian initiative has been widely resented as ''interference'' by Sri Lanka's minority Singhala community.

 India's relations with her other neighbours, Bangladesh and Nepal, are also influenced by fears of Indian domination and by territorial and other disputes.
- 11. Despite their differences the seven countries of the region have made some progress in identifying areas for co-operation (eg tourism, communications, health, agriculture). A series of exploratory meetings at official level led to a first ministerial meeting in Delhi- on 1-3 August 1983, which formally agreed on a programme of South Asian Regional Co-operation in these fields. The programme explicitly excludes trade and other sensitive issues. Further meetings at Foreign Minister and summit level are planned for 1984.
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INDO-BRITISH RELATIONS

- 13. Indo-British relations are in good shape, despite fundamental differences on many international issues. There is a personal rapport between Mrs Gandhi and Mrs Thatcher. The Prime Minister visited India in April 1981 and Mrs Gandhi paid a highly successful return visit to London in March 1982 for the opening of the Festival of India. The two Prime Ministers met briefly in New Delhi in September 1982; in New York in September 1983 in the margins of Mrs Gandhi's UN summit meetings; and in New Delhi on 22 November during CHOGM.
- 14. Mrs Gandhi's attitude is crucial. She is quick to take offence at slights, real or imagined. A continuing effort to convince her and her Government of the importance we attach to our relationship with India is necessary and has resulted in a steady flow of high level visits on both sides, including most recently, the visit of The Queen and the Duke of Edinburgh for 10 days in November 1983 when The Queen opened the Commonwealth Heads of Government meeting. In November 1983, both the Indian Minister for External Affairs and the Minister for Defence visited the UK.

CONFIDENTIAL India is important to Britain as export market. 1982 UK exports to India were £805 million and imports from India £379 million. The equivalent figures for January-October 1983 were £651 million and £284 million respectively. British companies have won a number of valuable contracts for large scale projects - power stations, coal mines etc. Also substantial defence sales: Jaguar, Sea Harrier, Sea King helicopters and the Sea Eagle missile. A highly successful visit to India by the Royal Navy's Orient Express Task Group the largest Royal Navy visit in over 20 years took place in October 1983. One large scale project in prospect is the modernisation of the Durgapur Steel Plant originally built by Britain in the 1950's. 16. India receives the largest proportion by far of UK bilateral aid (roughly one-quarter) - £110 million in 1983-84 and Britain is India's largest net bilateral aid donor. All British aid since 1975 has been in forms of grants. India is also a major recipient of World Bank and European Community Aid Funds, in addition to benefiting from other international aid agencies to which UK makes substantial contributions. 17. Close cultural links were highlighted by the Festival of India which ran from March-November 1982. Mrs Gandhi, joint patron of the Festival with the Prime Minister, took a close personal interest. /IMMIGRATION CONFIDENTIAL 7

IMMIGRATION

- 18. Immigration is not at present an issue with India. There are about half a million people of Indian origin in the UK, and the Indian Government sometimes reacts to Indian press and parliamentary interest in racial problems here.
- 19. The presence in India of several thousand UK Passport
 Holders, chiefly of East African origin, constitutes a potential
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- 21. The community of Indian-origin in the United Kingdom also includes a small group (at most a few dozen) of Sikhs who actively support demands for the creation of a Sikh State out of the Indian State of Punjab. The Indian Government have privately expressed concern at the activities of these 'extremists' in the United Kingdom. We have taken the line that the expression of views within the law is not something to which we can object given the British tradition of freedom of speech.

P.01223

PRIME MINISTER

Sale of Westland Helicopters to India (EX(84)1 and EX(84)2)

BACKGROUND

The Government of India seeks to use £50 million from the bilateral aid programme to buy 21 Westland W30 helicopters. The helicopters would be for the use of the Oil and Natural Gas Corporation (ONGC) of India for offshore oil exploration work and would replace helicopters chartered from private companies.

2. In his memorandum (EX(84)1) the Minister for Overseas Development points out that there is a weak developmental case for the proposal; he is sceptical of the commercial case; but he notes that there are some important political considerations which have to be taken into account. In his memorandum (EX(84)2) the Secretary of State for Trade and Industry argues that there is a strong commercial case for the proposal.

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MAIN ISSUES

3. The main issue is whether, despite the weak case on development grounds, this aid proposal should be approved for commercial and political reasons.

Developmental considerations

4. It is easy to understand why the ODA do not favour this proposal on developmental grounds. We understand that Treasury officials take the same view. £50 million is a large sum to tie up in civil helicopters, instead of continuing to use chartered private helicopters. There must be a suspicion that the Indians would be unlikely to go ahead with such a proposal if it were not a way of using up aid funds which will otherwise remain unspent. However, as is common in aid cases, a refusal of aid by us is unlikely to save the Indians from their folly. The Minister for Overseas Development concedes that it is probable that the order will go to the French.

Commercial considerations

- 5. The Minister for Overseas Development is unconvinced by the commercial case, doubting the prospect of future sales in India on commercial terms and the likelihood that this order will help Westland in other markets.
- 6. The Secretary of State for Trade and Industry takes the contrary view. He points out that the sale of these 21 helicopters on aid terms would be followed by sale of 6 more for VIP use (with a value of £16 million) on commercial terms and this is conceded in Mr Raison's paper. The value of spares for all 27 helicopters, also on commercial terms, would amount to at least

a further £70 million. He also suggests that this civil order would strengthen Westland's position in competing for Indian defence sales. Finally he argues that there are good growth prospects for the civil helicopter market worldwide; that offshore operations are an important sector of this market; and that this order would help Westland to establish itself in the civil market at a time when defence sales are flagging and in preparation for the civil version of the Anglo-Italian EH 101, for which the Government recently gave launch aid, due to come into service in 1990.

7. In aid cases the prospects for further sales on commercial terms in the same market or in world markets are always speculative. While the commercial case could be criticised because of the large amount of aid involved, it undoubtedly has some merit.

Political considerations

We understand that the Foreign and Commonwealth Secretary is uneasy about the political implications of turning down this aid proposal. It is conceded in Mr Raison's paper that there have been lengthy discussions to secure assurances that these aircraft would not be used for military purposes and the assurances have been satisfactory. This will have created an expectation in the minds of the Indians that, with the removal of this obstacle, the aid would be forthcoming. It is also awkward for us to continue to urge the Indians to spend up to the aid target of £110 million in 1983-84 while rejecting a proposal pressed strongly by them for meeting the target. It is therefore clear, as Mr Raison's paper concedes, that there could be a political cost in turning down this proposal. Mr Tebbit is concerned (sub-paragraph 2(vii) of EX(84)2) that this could make it more difficult for us to make use of the bilateral aid programme for the UK's commercial interests.

General assessment

9. On the evidence presented in these papers, the Committee may feel that, despite the poor developmental case, there are sufficient commercial and political reasons for approving this aid proposal.

HANDLING

10. You will wish to invite the Minister for Overseas Development to introduce his paper. The Secretary of State for Trade and Industry will wish to comment on the commercial case and the Foreign and Commonwealth Secretary on the wider political considerations. The Chief Secretary, Treasury will wish to comment on the public expenditure aspects. The Minister of State for Defence Procurement (Mr Pattie) may have views on the links with sales of military helicopters.

CONCLUSION

11. You will wish the Committee to reach a conclusion on whether the request from the Government of India to use £50 million of the bilateral aid programme for the purchase of 21 Westland W30 helicopters should be approved.

Ry

P L GREGSON

14 February 1984

Dojonce Sources



DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SEI 7PH TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

David Barclay Esq Private Secretary 10 Downing Street London SW1

14 February 1984

Dear David,

see Steered to fice I attach a briefing note for Mrs Kaul's call on the Prime Minister on 15 February at 1600 hours. She will be accompanied by the Deputy High Commissioner, Shri Johari.

As you know, Mrs Kaul is visiting this country to look at the new technology in schools, and we are hopeful that substantial orders for British products will follow.

MISS C E HODKINSON Private Secretary

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c Mr Colley
Mr Glickman
Miss Brown
SCI
Mr Libby
Mr Mungeam
SI Mr Goldstein

Miss Hodkinson

VISIT BY MRS KAUL:

Courtesy call on Secretary of State, 10 February, 2.30 pm

Secretary of State's Dinner, 13 February, 7.30 for 8.00 pm

1 Carlton Gardens

New Technology in Schools

- 1. The Indians have as yet done very little in regard to introducing new technology into their schools but they want rapidly to develop programmes to remedy this. To encourage them, we recently agreed a plan of action with them a copy of which is attached (Ref A). We believe that this might well lead to very substantial export orders for British micros with accompanying software and teacher training packages.
- 2. Mrs Kaul's visit has an educational rather than a commercial purpose. She wants to see at first hand what we have done and discuss how it or a similar programme might be put into effect in India. A more commercial mission (as per paragraph 1 of the plan of action) is expected to follow in the next few weeks.
- 3. The Secretary of State has already seen a draft programme for the visit. He may like to note additionally that Mr Dunn is meeting the party at the airport and taking them to lunch prior to their courtesy call, Mr Brooke is attending the return dinner engagement at the High Commissioner's residence on 14 February and the Prime Minister is seeing Mrs Kaul for a short courtesy call at 16.00 hours on 15 February. A more detailed programme will follow very shortly. (Attacked & flagged)
- 4. I understand that Mrs Kaul will be bringing a small gift for the Secretary of State perhaps something in rosewood which she will present at the courtesy call. The Secretary of State may feel a gift in return would be appropriate and in that event something in bone china has been suggested.
- 5. At Annex B I attach a background FCO brief on Mrs Kaul and on India more generally.
- 6. The Secretary of State may also wish to note that following the recent assassination of an Indian Diplomat in Birmingham, the Special Branch will be covering all events.

P S LEWIS

9 February 1984

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PLAN OF ACTION FOR INDO-BRITISH CO-OPERATION IN THE FIELD OF COMPUTER EDUCATION IN SCHOOLS

The Government of the Republic of India (hereinafter referred to as "the Government of India") and the Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as "the Government of the United Kingdom");

Recalling the Memorandum of Understanding signed at New Delhi on 16 April 1981 under which the two Governments entered into arrangements to cooperate in the area of application of computers in education and training;

Considering that the Government of India is contemplating initiation of a programme of computer education in secondary schools and that the Government of the United Kingdom has launched a similar programme for British schools;

Desiring to cooperate in the sharing of experience and education software and training programmes;

In accordance with the aforesaid Memorandum of Understanding, enter into the following arrangements:

(1) The Government of the United Kingdom will extend an invitation to an Indian team to visit the United Kingdom and to understand first-hand the British programme of computer education in schools and all such programmes aimed at creating computer literacy and computer awareness at various levels in the British educational system. Experience in setting up this programme, in the infrastructure for training of teachers and in the

provision of appropriate hardware and software will also be shared fully with the visiting team:

- (2) The Government of India will invite a team from the United Kingdom consisting of people who are intimately involved with aspects of implementation of the British programme with a view to jointly assessing the applicability of the British experience in Indian schools and to investigating how the programme should be modified to suit Indian requirements. The Government of the United Kingdom will consider supporting the Indian effort where necessary through the provision of computer hardware and software, educational software from appropriate sources in the United Kingdom and the provision of training and consultancy;
- (3) The Government of the United Kingdom will consider a request from the Government of India to cooperate in developing computer assisted . instruction software and related software tools:
- (4) The Government of the United Kingdom will consider a request from the Government of India to provide films, audio-visual software, printed and other material which may be relevant to the above programme. The sources may include the British Broadcasting Corporation, the Open University, the Micro Electronic Education Programme and the National Computing Centre and any other agencies which may have developed such material;

(5) Any other activities which may be relevant to the objectives of the Indian computer education programme may also be incorporated under these arrangements.

Sigrad at New Delhi on 11 January 1984

Robert houlden -

For the Government of the United Kingdom of Great Britain and Northern Ireland For the Government of the Republic of India



KAUL, MRS SHEILA

Minister of State for Education since 1980

Born Lucknow 7 February 1915. Entered Parliament in 1971 becoming General Secretary of the Congress Party in 1975. Lost in 1977 election but re-elected from Lucknow in January 1980. Became Minister of State for Education in August 1980. Led the Indian delegation to the UN Commission on the status of women in 1980.

An aunt of Mrs Gandhi, she is reputed to be a close friend and confidante of the Prime Minister. A keen sportswoman with a wide range of pastimes including badminton, gardening, music, cinema, drama and art.

Warm and approachable. Her late husband (who died in 1982) was Professor K N Kaul, a former Vice-Chancellor of Kanpur Agricultural University. They lived in London during the Second World War when he was working at Kew Gardens. They have two sons and one daughter.

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POLITICAL BACKGROUND BRIEF

INTERNAL AFFAIRS

- 1. Mrs Gandhi has ruled India since 1966, except for the period March 1977-January 1980. She returned to power for a five-year term in January 1980. Mrs Gandhi rules in a highly autocratic and personalised manner, relying on a small group of advisers including her one surviving son, Rajiv,
- 2. 1983 was a difficult year for Mrs Gandhi. In January, her party, Congress (I) was badly and unexpectedly beaten in elections in the southern states of Andhra Pradesh and . Karnataka, two former strongholds. Congress (I) did somewhat better later in the year in elections in Delhi, and Jammu and Kashmir, but the party's performance must still give Mrs Gandhimuch cause for concern.
- 3. The authority of Mrs Gandhi's government and of her party has also been challenged by persistent demands for greater regional autonomy. In Assam, elections in February, 1983 were marked by widespread violence and many deaths. In Punjab, the extremist fringe of the Sikh opposition party, the Akali Dal, resorted to violence in pursuit of demands for greater autonomy, economic concessions and privileges for the Sikh religion. In early October 1983 Punjab was placed under

/President's

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President's Rule after the murder of

President's Rule after the murder of Hindus by Sikh extremists. The police and army were given extensive powers in the state, but sporadic violence continues. Violence in Sri Lanka in Summer 1983 agitated Tamils in South India. Nonetheless, although these movements present a political and public order problem, there is no real threat to the integrity of the Indian state.

4. Mrs Gandhi must call a general election by January 1985. There has been speculation that she might call an early election, perhaps in the first half of 1984, but a date later in the year looks increasingly likely, At present, the opposition parties, none of them of genuinely all Indian scope, do not offer a coherent alternative, though several of them .. have recently coalesced into two main alliances and efforts continue to form a united front against Mrs Gandhi's party. She might therefore prefer to wait in the hope that their unity efforts collapse, and use the time to strengthen her party. Present trends suggest however that whenever the election takes place Congress (I) would win, though with a reduced majority. However, Congress, even at the height of its popularity, has never won more than 46% of the votes in a general election. It cannot therefore be assumed that Mrs Gandhi will still lead the Indian Government 12 months hence.

/EXTERNAL

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EXTERNAL RELATIONS

- 5. India is a leading member of the Non-Aligned Movement and currently chairman. As part of the follow-up to the Non-Aligned Summit in March 1983 Mrs Gandhi invited Heads of State and Government of UN member states to meet in New York during the General Assembly. Attendance at the two informal summit meetings in September 1983 was limited (the Prime Minister did not attend but met Mrs Gandhi on the margins). It is unlikely that the outcome met Mrs Gandhi's original expectations.
- 6. India continues to see the Soviet Union as her most consistent friend and supporter, providing a make-weight against both China and a US-backed Pakistan. Close relations with the Soviet Union are thus based on the perception that they are necessary to India's interests and reflect the Soviet Union's conduct towards her, rather than deriving from any ideological attraction.
- 7. Relations with the United States, very poor for over a decade, took an upward turn with Mrs Gandhi's visit there in the Summer of 1982. The main achievement was an improvement in atmosphere. However, the relationship remains vulnerable to misunderstandings, in particular about US support for the Pakistan Government and US failure to provide spares and support for an American-built nuclear power station in India, but, most recently, about allegations that US diplomats have been engaging in espionage in India. To help balance India's ties with the

/Soviet

Soviet Union, Mrs Gandhi has placed particular emphasis on developing India's links with Europe, the UK and France in particular, and these are now much stronger than they were a few years ago.

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MIGRATION

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MICROELECTRONICS EDUCATION PROGRAMME (MEP)

The MEP was announced in March 1980 as a 4-year programme costing £9m at 1980 prices. A 2-year extension, to March 1984, was announced last year. Total expenditure over the life of the Programme as a whole is expected to amount to some £21m.

The Programme is sponsored by the Education Department of England, Wales and Northern Ireland. The Scottish Education Department has its own arrangements. The Programme is run by a Lirectorate based at Newcastle Polytechnic. This is responsible for the execution of the Programme in the context of policy guidelines and resource allocation decisions determined by the Departments, who receive advice from an Advisory Committee made up of specialists in education IT, LEA representatives, HMI and officials.

The broad aim of the Programme is to help schools to prepare children for life in a society in which devices and systems based on microelectronics are commonplace and pervasive. More specifically, the Programe's objectives are

- i. to investigate the most appropriate ways of using the microcomputer as a teaching aid, and
- ii. to stimulate the introduction of new elements relating to the new technology into the curriculum.

The Programme's resources are allocated to three broad areas of activity - the development of educational software and teaching materials, courses of in-service teacher training, and the development and operation of a network of centres, serving groups of local education authorities, which exchange and disseminate software and act as a point of reference for teachers seeking guidance on training courses and equipment. Programme activities relating to special education are organised separately but contain all the main elements as outlined above.

To date some 550 educational software programs have been produced some 40,000 teachers have attended training courses in the four MEP 'domains' (the computer as an instrument, electronics and control technology, computer-based learning, and the communication and

information systems), and an information network has been established comprising 14 centres for the use of primary and secondary schools, and 4 centres devoted exclusively to the needs of special education. The work of the Programme has been publicised and disseminated over the last 18 months through 4 major presentations in different parts of the country.

The MEP has been complemented by the Micros in Schools schemes, financed by the Department of Trade and Industry; virtually all secondary schools have acquired a micro under the schemes, and most primary schools are expected to have done so by the end of 1984. Teacher training institutions have also acquired micros under a DTI scheme.

The Department views the Programme as a developmental, pump priming exercise. It has always been the Department's intention that others would eventually take over and fund those activities which proved their worth. Thus, LEAs are being asked to take over and fund regional information activities and regional teacher training as from March 1986. It is not yet clear whether, after that date, central support will still be required for certain other activities (principally software development and special education). The Department will monitor the Programme carefully to assess its impact and any need for central support after March 1986.

In the final analysis, the MEP's success will be judged by the extent to which teachers, parents and pupils, come to see the microcomputer as a valuable aid to teaching and learning, and by the extent to which the curriculum changes to reflect the widespread and growing use of the new technology in the community at large.

THE DEATH OF THE INDIAN DIPLOMAT

Mr Mhatre, Indian Assistant Commissioner, Birmingham, was kidnapped on 3 February and found murdered on 5 February. An organisation espousing the creation of an independent Kashmir appear to have been responsible. Messages of regret and condolence have been sent from the Prime Minister to Mrs Gandhi, the Foreign and Commonwealth Secretary to his Indian opposite number and from the Home Secretary to the Indian High Commissioner. The Indian Government have been assured that the police with the full support of Government will do everything possible to bring the perpetrators to book.

The one time princely state of Jammu and Kashmir became subject to conflicting Indian and Pakistan claims following independence in 1947. We regard Kashmir as an issue to be resolved by peaceful means by the Indian and Pakistan Governments. It is not an issue in which it would be appropriate for the British Government to intervene.

Foreign and Commonwealth Office 8 February 1984

THE KOHINOOR DIAMOND

In November 1983 the issue of the Kohinoor diamond was raised in the Indian Parliament. Opposition MPs called for its return to India. The Kohinoor is the property of the British nation. In 1976, the Pakistan Government requested that it be 'returned'; the request was refused. No formal approach has yet been made by the Government of India to Britain for its return, but it is unlikely that if one were our response would differ from that made to Pakistan in 1976.



10 DOWNING STREET

From the Private Secretary

8 February, 1984

Thank you for your letter of 3 February about the visit of the Indian Minister for Education. The Prime Minister would be glad to see Mrs. Kaul at 1030 hrs on Tuesday, 14 February.

I am copying this letter to Peter Ricketts (Foreign and Commonwealth Office).

A. J. COLES

J.F. Bird, Esq.,
Department of Education and Science

HL

TOP SECRET AND PERSONAL



Copy No: 4 of 4 copies

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10 DOWNING STREET

From the Principal Private Secretary

6 February 1984

Thank you for your letter of 3 February about the Indian request for advice on plans for the removal of dissident Sikhs from the Golden Temple. The Prime Minister is content that the Foreign Secretary should proceed as he proposes. She will look forward to receiving a report on the adviser's visit and notes that the Home Secretary would be informed if the Indians seemed likely to proceed with their plan.

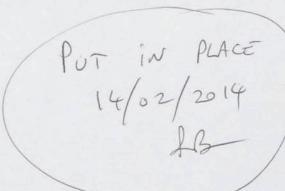
I am copying this letter to Richard Mottram (Ministry of Defence) and Richard Hatfield (Cabinet Office).

F. E. R. BUTLER

Brian Fall, Esq., Foreign and Commonwealth Office.

TOP SECRET AND PERSONAL





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proposed? Reps



Foreign and Commonwealth Office

London SWIA 2AH

3 February 1984

Indian Request for Advice on Plans for the Removal of Dissident Sikhs from the Golden Temple

The Indian Intelligence Co-ordinator. an urgent request to for advice on an Indian plan for possible action against the dissident Sikhs currently occupying parts of the Golden Temple in Amritsa. The Foreign Secretary believes that the Prime Minister would wish to be aware of the approach and our proposed response.

Representatives of various extremist Sikh groups have, over the last year or so, taken up residence within the Golden Temple; some of them are believed to be armed. By a convention dating back to the British period in India, representatives of the Indian authorities, including the police and armed forces, do not enter the Temple precincts in uniform; but understand from contingency plan for possible action against the extremists is being drawn up by the Indians. The Indians have requested provide an expert to advise on this contingency that plan.

The fact that this request has been made personally by underlines not only its delicacy but the importance attached to it by the Indian Government. Given the nature of the request, and from what is known of the role played it seems likely that Mrs Gandhi would have been informed before the request was made. In putting the request made it clear that it had not been made lightly and that he was looking for help from them on a matter of real importance to the Indians.

The High Commissioner in New Delhi fully supports the proposal. He has commented that the request demonstrates the close relationship between Britain and India. A positive response would earn a good deal of credit; at the same time Mrs Gandhi would find it hard to understand a refusal.

TOP SECRET & PERSONAL THIS IS A COPY. THE ORIGINAL IS RETAINED UNDER SECTION 3 (4)

OF THE PUBLIC RECORDS ACT



that it is of some importance that a response should be given quickly, not least because they understand that the latest developments at the Temple, where the rift between the moderates and extremists has where the rift between force the Indian Government's hand.

The Foreign Secretary believes that, in the interests of our bilateral relations with India we should respond positively to the request. He has therefore authorised and with the MOD and, subject to the agreement of the Prime Minister and (if the visit is to be made by a member of the armed services) of the Secretary of State for Defence, to make arrangements with the Indians for an early visit, or by another suitably qualified would make clear to the Indians that the either by true origin of the advice must be adequately safeguarded. and that HMG could not contemplate assistance beyond that which might be given by the adviser. The Foreign Secretary would inform the Prime Minister of the outcome of the adviser's visit; and, in view of possible repercussions among the Sikh community in this country, the Home Secretary would be informed if the Indians seemed likely to proceed with their plan.

I am copying this letter to Richard Hatfield (Cabinet Office) and Richard Mottram (Ministry od Defence).

Jan Brier

(B J P Fall) Private Secretary

F E R Butler Esq 10 Downing Street THIS IS A COPY. THE ORIGINAL IS RETAINED UNDER SECTION 3 (4) OF THE PUBLIC RECORDS ACT





Mr Gles Copi) FCO advice requested

DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SEL7PH

TELEPHONE 01-928 9222

Prime Riville

FROM THE SECRETARY OF STATE Mary inal. do you want to see the Kaul at 1030 an

John Coles Esq Private Secretary 10 Downing Street London SW1

Trendy, 14 February 3 February 1984 L

You and

Done our Wes

The Indian Minister for Education, Mrs Shiela Kaul, is making an official visit to this country at the invitation of my Secretary of State. She is due to arrive in London on the morning of Friday 10 February and will be leaving in the early evening of Wednesday 15 February.

Officials here have been advised by FCO that, since Mrs Kaul is Mrs Ghandi's aunt, the Prime Minister may wish to have the opportunity to receive her for a short courtesy call. I would be grateful, therefore, if you could discover whether the Prime Minister would wish to meet Mrs Kaul.

I am copying this letter to Brian Fall (FCO).

Your Sincerel Cloon Bis.

MR J F BIRD Private Secretary

2

to ve

10 DOWNING STREET

From the Private Secretary

23 January 1984

Lear Callum,

The Prime Minister has read with interest your Secretary of State's minute of 18 January on his recent visit to India.

for ever

Callum McCarthy, Esq., Department of Trade and Industry.

1



Foreign and Commonwealth Office London SW1A 2AH

19 January 1984

Dear John,

India

For westing bolder on 25 farmery.
A.J.C. 19.

The Indian High Commissioner, Dr Seyid Muhammad, will pay a farewell call on the Prime Minister at 10.00 on Wednesday 25 January. You asked for a brief.

Dr Muhammad has been High Commissioner since September 1980. He will depart on 12 February. Although Dr Muhammad's contribution to the development of Indo-British relations has been limited (and somewhat overshadowed by the private efforts of Mr Swraj Paul), relations with India during his time in London have been excellent.

I enclose a personality note on Dr Muhammad and a short brief.

You en, Peter Cicletts

(P F Ricketts) Private Secretary

A J Coles Esq 10 Downing Street India: VK Relations P+3

distant Sonimbule and Com-

(E) 2 577 Yellia I

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FAREWELL CALL ON THE PRIME MINISTER BY THE INDIAN HIGH COMMISSIONER: 25 JANUARY 1984 POINTS TO MAKE Indo-British relations have flourished in recent years. Highly successful Royal Visit last November. Her Majesty's appreciation reflected in Her Christmas broadcast. 2. Warm personal friendship with Mrs Gandhi. Glad of opportunities last year in New York in September and in New Delhi at Commonwealth Heads of Government Meeting in November to renew personal links and to pay another memorable visit to India. Valued recent visits to UK by Indian Foreign and Defence Ministers. Commercial relations good. Considerable growth in past 3. three years. Many major projects, notably Rihand Super Thermal Power Station. Look forward to similar successes in near future. In recent years defence sales also increased steadily. Largest net bilateral aid programme. Reflects importance we place on relationship. 4. Festival of India 1982 enormous success. Grateful for your personal contribution. Brought greater awareness of India and her achievements to British public. This awareness increased by 'Gandhi' film and many other recent films, TV programmes and books. Have valued all you have done to advance Indo-British relations during your time in office. Confident relations will continue to grow in warmth to our mutual benefit. Best wishes for your return home. Please convey my good wishes to Mrs Gandhi.

BACKGROUND

- 1. Relations in the past two/three years have been better than for some time past. Extremely successful visit by The Queen and Duke of Edinburgh last November reflected in content of Her Majesty's Christmas broadcast, much of which was devoted to India.
- 2. Frequent Indo-British official and Ministerial contacts. The Indian Foreign Minister, Mr Narasimha Rao and the Defence Minister, Mr Venkataraman both made visits to the UK in November 1983. Both called on the Prime Minister. The Secretary of State for Trade and Industry visited India from 8-13 January to attend the Indo-British Trade Economic Committee meeting.
- 3. India important to Britain as export market. 1982 UK exports to India were £805 million and imports from India £379 million. Equivalent figures for January October 1983 were £651 million and £284 million respectively. British companies have won a number of valuable contracts for large scale projects power stations, coal mines etc. Particularly noteworthy the £240 million Rihand Super Thermal Power Station contract won by Northern Engineering Industries following discussions between Prime Minister and Mrs Gandhi March 1982. Other large scale projects in prospect, notably modernisation of the Durgapur Steel Plant originally built by Britain in the 1950s. Also substantial defence sales: Jaguar, Sea Harrier, Sea King, Sea Eagle.
- 4. India receives the largest proportion by far of UK bilateral aid (roughly one quarter) £110 million in 1983-84 and Britain is India's largest net bilateral aid donor. All British aid since 1975 has been in form of grants. India is also a major recipient of World Bank and European Community Aid Funds, in addition to benefiting other international aid agencies to which UK makes substantial contributions.
- 5. Highlight of cultural interchange was Festival of India,
 March to November 1982. Mrs Gandhi, joint patron of the Festival
 with the Prime Minister, took a close personal interest. Programme
 /included

included major exhibitions, performances and other events reflecting Indian civilisation and achievements, ancient and modern. Mrs Gandhi known to have been particularly gratified. Film 'Gandhi' released 1982 made considerable impact in UK. Stimulated other films on India now being shown. Festival has had far-reaching influence and inspired increasing interest in India and things Indian in UK.

Sikh Activists in the UK

at the Indian Government have recently expressed concern at the activities in the UK of Sikh proponents of the creation of an independent Sikh state (Khalistan) in India. There have been reports that Sikh activists will announce the formation of a government of Khalistan on 26 January, Indian Republic Day, and mount demonstrations against the Indian High Commission at which the Indian flag and constitution would be burned. We have taken the line that we in no way condone the activities of Sikh extremists, but that action against them can only be taken if they transgress the law. It is not an offence under English law to abuse the flag or the constitution of another state or to purport to set up a government for an entity within another state. We have assured the Indian High Commission that the police will take all appropriate steps to protect the High Commission and its staff.

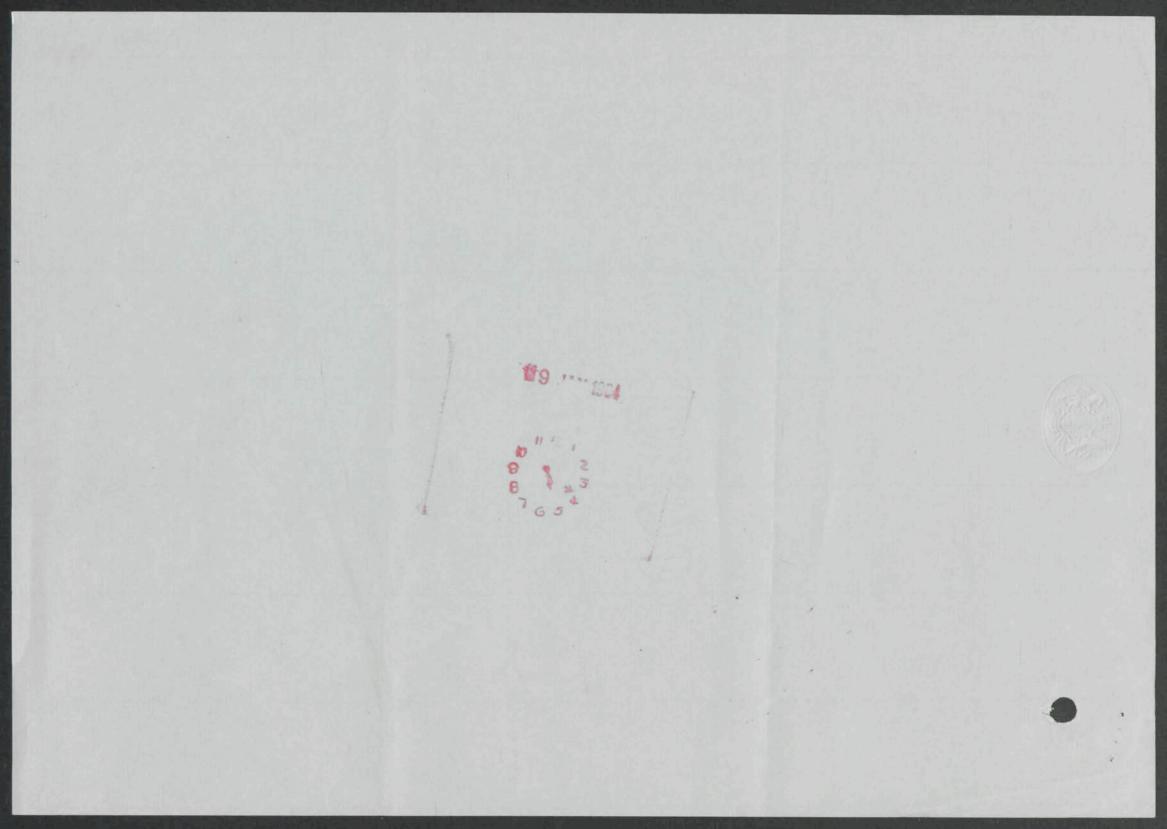
DR V A SEYID MUHAMMAD

High Commissioner to the UK.

Born 1923; educated at London (PhD and Bar-at-Law); practised Law 1948-65; Advocate General of Kerala 1965-67; Standing Counsel of the Union of India in the Supreme Court 1967-71; Senior Adviser to Indian delegation to the UN 1971; Alternative delegate to the UN General Assembly 1975-77; Member of Parliament 1973-77 and 1977-79.

Though he took part in the 'Quit India Movement' in 1942 and was imprisoned at the time, Dr Muhammad has warm memories of the time he spent in Britain for higher education. Though he seems to have quite a good brain, he is laborious and rather inarticulate in style and inexperienced in international affairs. But his appointment was not mere reward for unremitting loyalty to Mrs Gandhi; he split with her in 1978 and was a member of the Congress (U) until that party went into government with Charan Singh in 1979.

Married with two sons and two daughters, he and his wife are both naturally friendly and unaffected. Neither shines socially. Though a Muslim, Dr Muhammad drinks whisky.







Prime Diviled.

4.4.C.19.

PRIME MINISTER

M

VISIT TO INDIA, 8-14 JANUARY 1984

I visited India from 8 to 14 January: the principal purpose of this was to act as co-Chairman (with Mr V P Singh, Minister of Commerce) of the Indo-British Economic Committee (IBEC). During my stay in New Delhi I met a number of Indian Ministers including Mrs Gandhi. I then went on to Bombay, where I addressed the Bombay Chamber of Commerce and Industry and had discussions with a group of businessmen from the Indo-British Business Committee.

The meeting of IBEC - at which our delegation was composed of officials from my Department and from the High Commission together with six businessmen with connections with India - dealt with a number of detailed issues of bilateral concern: these included India's quota for exports of sugar to the EC, Aflatoxin contamination of animal feedstuffs, textiles, remittances, EC duty on tobacco, co-operation between British and Indian companies on projects in a number of industrial sectors, both in India and in third countries and ways of meeting India's concern over her adverse balance of visible trade with the UK. The businessmen and officials participating both on our side and the Indian side told me that the IBEC meeting provided a very



useful forum where bilateral difficulties could be aired and solved: I was particularly interested and glad to learn that the business people - many of whom had never before taken part in such an event - were clear that the Committee was of practical use in its present form (meetings take place roughly every 18 months, alternately in London and in Delhi). The detailed matters discussed at IBEC will now be taken forward at official level, or between the business interests concerned.

discussions with a number of Indian Ministerial colleagues:
the Ministers of Commerce, Industry, and External Affairs at
Cabinet level, and the Ministers of State for Tourism and
Civil Aviation, Science and Technology, and Steel and Mines.
I also had a short but useful interview with Mrs Gandhi, at
which I raised a number of project interests (notably the
modernization of the Durgapur steel plant, the captive power
plant for Balco, and the re-equipment of Indian Airlines).
A copy of the High Commissioner's note of the meeting is
annexed. Mrs Gandhi asked me to pass on her very best
wishes.



- During my visit, we were able to secure the signing of a joint Plan of Action for Indo-British co-operation on computer education in schools: this builds on the Memorandum of Understanding which you and Mrs Gandhi signed on 16 April 1981, and involves exchange visits by Indian and British experts, possibly with a view to provison of computer hardware and software, educational software, and training and consultancy facilities from Britain. In addition, we and the Government of India would consider co-operation to develop computer assisted instruction software. If all goes well, there is a distinct possibility that India will decide to adopt the BBC/Acorn microcomputer for her own computers in schools programme: this is a potentially vast market for our producers.
- 5 The general issues raised with me by Ministers, officials and business people in India related mainly to the bilateral imbalance of visible trade between India and the UK (£426m in our favour in 1982). I took every available opportunity to make the point that there are bound to be trade imbalances between individual countries, as for example between the UK and Japan; what matters is the overall position. In any case, this visible trade imbalance is somewhat unreal; it is partially accounted for by rough diamonds purchased through London but re-exported elsewhere and offset to some extent by our aid payments to India, and



by remittances to India from those resident in the UK. We have however started to use some of our technical assistance (currently about £100,000 per year) to improve Indian marketing techniques and we are looking at ways of developing this.

In discussing this issue I also stressed that protectionism was not the answer to this sort of trade imbalance. I was convinced that Mrs Gandhi agreed, and would like in principle to stop over-protecting Indian industry: however, she feels herself very severely constrained by political considerations, particularly in an election year. The same argument was well received by Mr V P Singh (which is not surprising), and by Mr Salve, Minister for Steel and Mines (perhaps more encouraging). Since Count Lambsdorff had been in India only shortly before me, I was able to make much of the identity of our views on protectionism and those expressed by the FRG : I also made the point that the Indians might usefully take note of the attitude of Germany and France in the EC when sugar quotas or tobacco tax were raised, where despite the promises of support they delivered when seeking business in India, they were less than forthcoming and did not, as a rule, line up behind the UK in championing India's cause.



7 The Indians were particularly anxious to press for more joint ventures between British and Indian companies in third countries. I expressed support for this, but at the same time made it clear that such joint ventures best develop from direct contacts between commercial organizations and would only succeed on the basis of confidence. That confidence would probably best be established by Indo-British cooperation in India before efforts were made to tackle business in third countries. In this connection, it was interesting to learn from Mr V P Singh that the arrangements governing the sale of goods produced in India's new Free Trade Zones had recently been liberalized to permit some of the output to be sold in India. These zones are an attempt to circumvent the very heavy bureaucratic and regulatory burdens placed on overseas investors in India. I expressed the view that Britain's success in attracting inward investors owed a good deal to the liberal regime which we operate.

8 Overall, I was impressed by the opportunities which exist in India, and by the exceptionally friendly reception given to me. There was some appreciation - which I tried to encourage - of the fact that British Ministers have been, and are continuing to be, regular visitors; Alick Buchanan-Smith's visit next month to try to sell energy industry



equipment should, I think, be favourably received against the background of our recent attention. The Indian market is - despite both economic and political difficulties - an important and promising one. Nonetheless, we must keep our eye on the competition: I have already mentioned Count Lambsdorff's recent visit, and I understand that M. Fabius was in India just before Christmas.

- 9 I was particularly impressed by the knowledge and sure footed diplomacy of Robert Wade-Gery and his staff, who have excellent personal relationships with both Ministers and senior Civil Servants and an acute perception of commercial opportunities.
- 10 I am sending copies of this minute to Geoffrey Howe, Nigel Lawson, and Peter Walker.

NT

18 January 1984



Mr Beetham

cc: PS/Mr Tebbit
Mr Benjamin
SAD, FCO
PS/Mr Raison
Head of Chancery

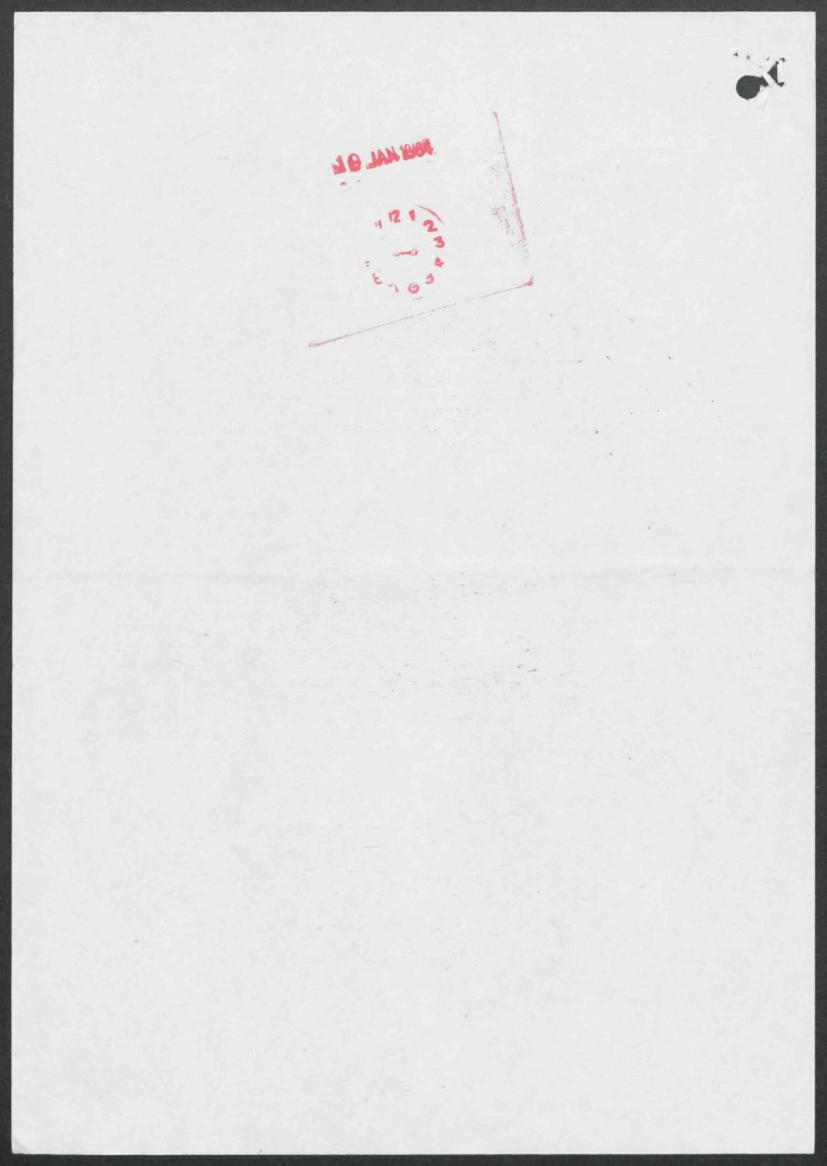
I accompanied Mr Tebbit when he called on Mrs Gandhi this morning. Mr Garekhan was the only other person present. On our way out we encountered Mr Swraj Paul in the outer office. While talking to Mr Garekhan before going in we mentioned our concern that the Indian side at IBEC should have adequate industrial as well as Governmental representation. Mr Garekhan urged us to repeat this message to others concerned; and I have since spoken eg to the Minister of Commerce and Commerce Secretary.

- 2. Mrs Gandhi was friendly and reasonably talkative. But all the substative issues had to be raised by Mr Tebbit. He covered the following ground:
 - (a) Our continuing interest in the modernisation of Durgapur. Mrs Gandhi said that the steel industry was a difficult area in India and indeed world-wide. Indian industry tended to produce the wrong kind of steel. Mr Tebbit stressed that under our proposal a modernised Durgapur should be able to respond flexibly to changing demand. He also described our own difficulties with the British steel industry. We had learnt the importance of improving productivity per man and of minimising energy usage; and we should be able to apply these lessons to Durgapur. Mrs Gandhi sounded interested.
 - (b) GEC's interest in the captive power plant for Balco. Mrs Gandhi did not respond.
 - (c) Telecommunications as a vital sector for modernisation in any country and GEC's proposal for a digital transmission network between India's four main cities. He emphasised the low cost likely to be involved, and I added that we had been disappointed to have had no reaction so far to our offer of a free initial study. Mrs Gandhi took note.

- (d) Our programme in Britain for installing micro-computers in schools and our ideas for helping with the supply of school micro-computers in India. We stressed the importance of computer literacy in the rising generation. Mrs Gandhi agreed.
- (e) Our interest in new aeroplanes for Indian Airlines.
 This led to some discussion of Mr Tebbit's experience
 as a pilot and to the fact that he would be seeing
 Mr Rajiv Gandhi at lunch at my house next day.
- 3. Mr Tebbit also referred to the manner in which Mrs Thatcher had reported to the Cabinet on the New Delhi CHOGM. Contrary to her expectation before she left, she had clearly found it very well-spent eight days, and she had also been much impressed by the organisation. Mrs Gandhi said that the meeting did seem to have gone well; the Retreat in Goa had perhaps been the best part.
- 4. The rest of the meeting was devoted to fairly general conversation. In the course of a discussion on protectionism Mrs Gandhi said that she thought Indian industry was now over-protected; but learning to do without crutches was always a slow and difficult business. On the subject of the importance of market forces, Mrs Gandhi emphasised that these could sometimes lead people to choose short term advantage at the expense of kmger term welfare; eg the farmers in the Punjab, who were damaging the soil by seeking a quick return from growing eucalyptus rather than wheat. Surprisingly, she went on to say that the public sector in India was not as large as people supposed; nor was it readily controllable by the Government. Finally she referred to her familiar theme about the narrowness of the tax base in India and the skill with which the rich seemed to avoid paying any tax at all.

Table.

Robert Wade-Gery



Subject:
PRIME MINISTER'S

PERSONAL MESSAGE SERIAL No. THA 184

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RR NEW DELHI
GRS 118
RESTRICTED
FM FCO 161030Z JAN 84
TO ROUTINE NEW DELHI
TELEGRAM NUMBER 28 OF 16 JANUARY
REPUBLIC DAY

- 1. PLEASE CONVEY THE FOLLOWING MESSAGE FROM THE PRIME MINISTER TO MRS GANDHI ON OR JUST BEFORE 26 JANUARY:
- 'IT GIVES ME GREAT PLEASURE TO SEND TO YOU AND TO THE GOVERNMENT AND PEOPLE OF INDIA MY WARMEST CONGRATULATIONS ON THE OCCASION OF REPUBLIC DAY AND MY BEST WISHES FOR A HAPPY AND PROSPEROUS FUTURE.
- I SHALL LONG TREASURE THE MEMORY OF MY VISIT TO INDIA FOR THE COMMONWEALTH CONFERENCE LAST NOVEMBER AND THE OPPORTUNITY IT GAVE ME TO RENEW MY ACQUAINTANCE WITH YOUR GREAT COUNTRY. I AM CONFIDENT THAT THE CLOSE AND FRIENDLY RELATIONS BETWEEN BRITAIN AND INDIA WILL CONTINUE TO FLOURISH IN THE FUTURE.

 WARM REGARDS. MARGARET THATCHER.

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10 DOWNING STREET

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bc: Mr. Sherboofne 11 January 1984 INDIAN HIGH COMMISSIONER Mr. J. K. Gohel of the UK Anglo Asian Conservative Society has asked whether the Prime Minister would send a message which could be read out at a farewell dinner for the Indian High Commissioner at the Hilton Hotel on 1 February. The Prime Minister has decided to meet this request. I should be grateful if you could let me have a suitable draft message by the end of next week. A. R. COLES Roger Bone, Esq., Foreign and Commonwealth Office.

be OR



10 DOWNING STREET

From the Private Secretary

9 January 1984

INDIA

The Indian High Commissioner rang me last week to ask whether he could call on the Prime Minister before he leaves London on 12 February.

Although we try to discourage such calls, I believe that there is a case for agreeing to this request, partly because of the Prime Minister's relationship with Mrs. Gandhi and partly because Mrs. Thatcher has recently visited India. to the request will also help us to continue to resist the attempts which are being made to get the Prime Minister to attend a farewell meal for Dr. Muhammad (there is no question of this). You told me on the telephone that you agreed with this reasoning.

The Prime Minister has agreed to see Dr. Muhammad for thirty minutes at 10 o'clock on Wednesday, 25 January. I have so informed his office. I should be grateful for a short brief in due course.

P.F. Ricketts, Esq., Foreign and Commonwealth Office.

PRIME MINISTER

Could you bear to see the Indian
High Commissioner before he leaves London
on 12 February?

My Colean

10.00-1030

wed JAN 2

We have been resisting a number of attempts to get you to attend farewell.

meals for him (on the grounds that you would then have to attend meals for many departing Ambassadors and High Commissioners). But he rang me today with a strong plea that he should be allowed to call and say goodbye. Given the fact that you have just been to India and given your relationship with Mrs. Gandhi, I think it is just reasonable to give him 20 minutes or so. Agree?

A. S. C.

Tes pro

Mr Colos.

The spons on Friday eve (6 gas).

If you can permet the PM ordense,

M let me know. I win then tout to

Mr Coul who is awarting a response.

DRIME MINISTER & his rigner. Share 9/

You have already refused the invitation to attend the Farewell Dinner for the Indian High Commissioner. In the attached letter Mr. Gohel asks if you could send a message to be read out.

I have talked to John Coles. We are both reluctant as High Commissioners etc. leave all the time.

If you decide not to send a message, I will talk personally to Mr. Gohel and explain.

Agree not to send a message?

Steplen

Stephen Sherbourne

4th January, 1984

We will sind a wellowed with a checker with a checker with a checker with port to kind a merioge put



10 DOWNING STREET

THE PRIME MINISTER

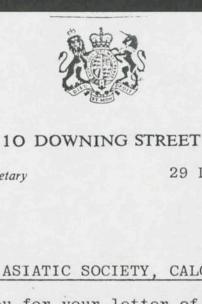
The occasion of the bicentenary celebrations of the Asiatic Society is one which reminds us all of the illustrious scholars who have been associated with the Society, going right back to its founder Sir William Jones. It is inspiring that such an institution, dedicated to the disinterested pursuit of knowledge, should have survived the vicissitudes of the past two centuries. It is an example, too, of the way in which scholars from both India and Britain can, by their joint and collaborative endeavours, work fruitfully and harmoniously together to advance their disciplines and enrich the minds of men.

As the Asiatic Society embarks upon its third century I confidently believe that it will build upon the foundation of the past, and move on to the achievement of even greater things.

I send you, Mr. General Secretary, and the Committee and members of the Asiatic Society my warm congratulations, and my best wishes for the future.

Margane Lalite

December 1983



From the Private Secretary

29 December 1983

THE ASIATIC SOCIETY, CALCUTTA

Thank you for your letter of 23 December to John Coles. The Prime Minister is content with the draft message to the Asiatic Society, and I should be grateful if you would arrange for its despatch. A signed version will follow.

The Society have also asked for a photograph of the Prime Minister. When we discussed this on the telephone, we left it that the High Commission would provide one unless you told me that we would need to do so ourselves.

DAVID BARCLAY

P.F. Ricketts, Esq., Foreign and Commonwealth Office.

RESTRICTED



United Kingdom Anglo Asian Conservative Society

PLEASE REPLY TO MEGHRAJ COURT, 18 JOCKEY'S FIELDS, LONDON, WClR 4BW. tel. no. 01-831 6881

32 Smith Square Westminster London SW1P 3HH Telephone 01-222 9000

President: THE RT. HON. MARGARET THATCHER MP

Chairman: Jayvantsinh Gohel

28th December, 1983

The Rt. Hon. Mrs. Margaret Thatcher MP, Prime Minister, 10 Downing Street, LONDON, SW1.

Dear mrs. Thatdur 1

Kindly refer to my letter dated 14th December, 1983, regarding the Farewell Dinner to the Indian High Commissioner to the U.K., Dr. V. A. Seyid Muhammed .

Due to circumstances beyond everyones control the Dinner has had to be fixed to take place on 1st February, at the Hilton Hotel, London Wl.

I can fully understand that because of various demands on your time etc., you may not be able to grace this occasion but can you kindly let me have a suitable message from you personally which I can have read out at the Dinner.

With best regards,

Tay Gohal

Yours sincerely,

J. K. GOHEL



Foreign and Commonwealth Office

London SW1A 2AH

23 December 1983

Prime Minister

Agree attached message plus photograph?

The Asiatic Society, Calcutta

The Asiatic Society, Calcutta (formerly the Royal Asiatic Society of Bengal) is celebrating its bicentenary, to be inaugurated by Mrs Gandhi, on 11 January 1984. The Society have asked our High Commission in New Delhi for a

message of good wishes and a photograph from the Prime Minister.

The Society is a distinguished organisation, having been founded by Sir William Jones, the eminent jurist and Sanskrit scholar. Its members have carried out some important research and studies in literary, scientific and cultural and geographical fields. Its prestige has somewhat declined in recent years, but it still commands considerable respect. Given Mrs Gandhi's presence at the inauguration of the bicentenary celebrations, and the strong emphasis on cultural matters in our bilateral relations with India, as indicated by last year's Festival of India and the Prime Minister's presentation of the Bharatiya Jnanpith award last month, we recommend that the Prime Minister should agree to send a message on the lines of the enclosed draft, which has been proposed by the High Commissioner.

Your ever, Peter Richetts

(P F Ricketts) Private Secretary

A J Coles Esq 10 Downing Street DRAFT MESSAGE TO THE ASIATIC SOCIETY, CALCUTTA

Asiatic Society is one which reminds us all of the illustrious scholars who have been associated with the Society, going right back to its founder Sir William Jones. It is inspiring that such an institution, dedicated to the disinterested pursuit of knowledge, should have triumphantly survived the vicissitudes of the past two centuries. It is an example, too, of the way in which scholars from both India and Britain can, by their joint and collaborative endeavours, work fruitfully and harmoniously together to advance their disciplines and enrich the minds of men.

As the Asiatic Society embarks upon its third century I confidently believe that it will build upon the foundation of the past, and move on to the achievement of even greater things.

I send you, Mr General Secretary, and the Committee and members of the Asiatic Society my warm congratulations, and my best wishes for the future''.

m

23 DEC 1983

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10 DOWNING STREET

THE PRIME MINISTER

14 December 1983

Rem The Vine - President:

Thank you for your letter of 28 November in which you asked whether we could make available paintings by Constable and Turner for a special exhibition at the National Gallery of Modern Art in New Delhi.

I share your hope that such an exhibition can be arranged. It would be a fitting counterpart to the splendid collections which your Government so generously sent to the United Kingdom for exhibition in the Festival of India.

You mentioned the exhibition at the Metropolitan Museum in New York. Most of the pictures for this came from American collections, with the addition of a number of oil sketches from the Victoria and Albert Museum in London. I understand that the exhibition finished in September and has now been dispersed. I know that this will be disappointing news. But I am told that it was in any case arranged on the basis that it would not travel after the New York showing.

Earlier this year the British Council, who act as the Government's agents in sponsoring exhibitions of British art overseas, discussed with the Director of your National Gallery of Modern Art, Dr. Sihare, the possibility of a large scale exhibition there of the works of Constable and Turner. Subsequently, the British Council approached the Tate Gallery, the Victoria and Albert Museum and others. But their holdings of Constable and Turner paintings were

/already

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- 2 already committed to exhibition programmes for some time ahead. Plans for a large scale exhibition in India of works from several of our collections have therefore had to be postponed. But the British Council still have the possibility very much in mind and will take up the matter again with the National Gallery of Modern Art at the earliest opportunity. If in the meantime your National Gallery are able to accept the offer made earlier this year to loan 47 important paintings by Turner and Constable from the Victoria and Albert Museum's collection, the British Council will offer every possible assistance with the arrangements for an exhibition. In conclusion, may I say how very glad I was to learn that arrangements are well in hand for the important exhibition of Modern Figurative Painting due to open at the Lalit Kala Academy in New Delhi in November. Lous siculy Dayouthalter His Excellency Mr. M. Hidayatullah

Foreign and Commonwealth Office

London SW1A 2AH

12 December, 1983

Dear John,

Type letter pl. A. J. C. 13/12.

Indian Request for Exhibition of Constable and Turner Paintings

Thank you for your letter of 28 November enclosing a copy of a letter of the same date from the Vice-President of India seeking the Prime Minister's help in arranging for an exhibition of paintings by Constable and Turner at the National Gallery of Modern art in Delhi. I attach a draft reply.

We support this request in principle but both we and the British Council, who take the lead in sponsoring exhibitions of British works overseas, are dependent on the co-operation of museums and galleries in lending their works. We have to be guided by their expert advice.

The exhibition of paintings by Constable referred to by Mr Hidayatullah was held at the Metropolitan Museum in New York from April to September. The British Council tell us that all the works have now been returned to their owners. More than half of the exhibits were from American collections; the others came from Britain and included seven oil sketches from the Victoria and Albert Museum. Since the Director of the Metropolitan Museum had stipulated that the exhibition should not travel, it would not in any case have been possible to arrange for a showing in India.

The British Council are already aware of the wish of Dr Sihare, Director of India's National Gallery of Modern Art to have an exhibition of Turner and Constable paintings and have discussed the possibilities with the Tate Gallery, Victoria and Albert Museum and others. An exhibition of works by Henry Moore is also under consideration for the National Gallery of Modern Art.

The Idea of a more general exhibition of 19th Century paintings for India was dropped in 1982 following discussions in London between Dr Sihare and the British Council. Earlier this year the Council were, however, able to offer a collection of 10 oil 'sketches' and 20 watercolours by Constable, together with 2 oil paintings and 15 watercolours by Turner, which the Victoria and Albert Museum agreed to make available for India.



In making this offer the Victoria and Albert Museum acknowledged their debt of gratitude to the Indian Government for the highly successful exhibition which had been sent to them for the Festival of India. The British Council considered the Victoria and Albert's offer a generous one, but unfortunately it did not at the time interest Dr Sihare. The offer remains open and is worth renewing. Incidentally Constable applied the term 'sketches' to series of oil paintings leading to the final version of a picture: his 'sketches' are in fact full oil paintings of the highest quality.

For reasons of conservation, galleries and museums must take particular account of the climate and conditions in countries to which their works are lent. The loan of major paintings to India would have to be restricted to the cool weather between November and March; there would also have to be special packing and transportation arrangements. The difficulties in arranging a major exhibition for India are therefore considerable. The British Council also have to take account of other major exhibitions already planned for the coming winters, including the re-opening of the Turner Gallery in 1985, when all the Turner paintings belonging to the Tate Gallery are expected to be on view there.

Although it has not yet been possible to arrange the kind of large scale Turner and Constable exhibition for which the Indians are pressing, the Council intend to take up the project again with the National Gallery of Modern Art at a later date. Meanwhile, in addition to the Victoria and Albert's offer mentioned above, the Council are arranging an exhibition of Modern Figurative Painting, due to open at the Lalit Kala Academy in New Delhi in November 1984.

Your ever, Peter Cidcetts

(P F Ricketts) Private Secretary

A J Coles Esq 10 Downing Street

D R 11 (Revised) TYPE: Draft/Final 1+ DRAFT: minute/letter/teleletter/despatch/note FROM: The Prime Minister Reference DEPARTMENT: TEL. NO: 41621 TO: His Excellency Shri M Hidayatullah SECURITY CLASSIFICATION Your Reference Vice President of India Vice President's Residence Top Secret New Delhi Secret Iloll Copies to: Confidential 1 Vice ye Restricted Unclassified PRIVACY MARKING SUBJECT: Thank you for your letter of 28 November in whichIn Confidence you asked whether we could make available paintings by CAVEAT..... Constable and Turner for a special exhibition at the National Gallery of Modern Art in New Delhi. I share your hope that such an exhibition could be arranged. It would be a fitting counterpart to the splendid collections which your Government so generously sent to the United Kingdom for exhibition in the Festival of India. You mentioned the exhibition at the Metropolitan Museum in New York. Most of the pictures for this came from American collections, with the addition of a number of oil sketches from the Victoria and Albert Museum in London. I understand that the exhibition finished in

Enclosures—flag(s).....

/Earlier

after the New York showing.

September and has now been dispersed. I know that this

any case arranged on the basis that it would not travel

will be disappointing news. But I am told that it was in

The low pro-

the Government's agents in sponsoring exhibitions of
British art overseas, discussed with the Director of
your National Gallery of Modern Art, Dr Sihare, the
possibility of a large scale exhibition there of the works
of Constable and Turner. Subsequently, the British
Council approached the Tate Gallery, the Victoria and
Albert Museum and others. But their holdings of Constable
and Turner paintings were already committed to exhibition
programmes for some time ahead. Plans for a large scale
exhibition of works from several of our collections in
the have therefore had to be postponed. But the British
Council still have the possibility very much in mind and
will take up the matter again with the National Gallery
of Modern Art at the earliest opportunity.

If in the meantime your National Gallery are able loan to accept the offer made earlier this year to/47 important paintings by Turner and Constable from the Victoria and Albert Museum's collection, the British Council will offer every possible assistance with the arrangements for an exhibition.

In conclusion, may I say how very glad I was to learn that arrangements are well in hand for the important exhibition of Modern Figurative Painting due to open at the Lalit Kala Academy in New Delhi in November.

NOTE FOR THE FILE

The India desk at the FCO assure me that the Vice President should be addressed as'His Excellency Mr. M. Hidayatullah' - there seem to be a couple of variations!

RM 13/12



8-1

10 DOWNING STREET

From the Private Secretary

9 December 1983

INDIA: REPUBLIC DAY MESSAGE FROM THE PRIME MINISTER

Thank you for your letter of 8 December.

The Prime Minister has approved the proposed message with the substitution of "close and friendly" for "deep and warm".



I should be grateful if you would ensure that the message remains appropriate by the time it comes to despatch it.

A. J. COLES

P.F. Ricketts, Foreign and Commonwealth Office.

Ful

Agree message (we ball Foreign and Commonwealth Office

London SW1A 2AH

appropriate on 26 farmay)?

8 December, 1983

A.J.C. 9:

India: Republic Day Message from the Prime Minister

It is customary for the Prime Minister to send a message to the Indian Prime Minister on Republic Day, 26 January.

I enclose a draft message from the Prime Minister to Mrs Gandhi in the form of a telegram to New Delhi, which we would propose to despatch from here after approval by the Prime Minister. I also enclose a copy of last year's message.

You err, Peter Ridcetts

(P F Ricketts) Private Secretary

A J Coles Esq 10 Downing Street

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	17	the Commonwealth Conference last November and the opportun							
	18	it gave me to renew my acquaintance with your great count							
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From the Private Secretary

30 November 1983

The Prime Minister has asked me to thank you for your letter of 28 November about the BBC World Service.

Mrs. Thatcher regards the BBC World Service as very valuable and knows full well how keenly it is listened to across the world. She has noted your pleas that the Service should be strengthened and will bear this in mind.

AJC

Mr. J. S. Lall.

Mr Coles cc: H of C LETTER FROM MR JOHN LALL An Indian friend of mine, Mr John Lall, has asked if I would pass his attached letter to the Prime Minister. He is a nice and well respected man with no political axe to grind. He has now retired, and was formerly Director of the prestigious India International Centre in Delhi. He is well known as a literary pundit and was incidentally the author of a handsome book on Agra which Mrs Gandhi gave The Queen for Her wedding anniversary on 20 November. Robert Wade-Gery 29 November 1983

CC: High Commodicans



10 DOWNING STREET

THE PRIME MINISTER

29 November, 1983

Near In. Vive. President.

Thank you for your letter of 28 November in which you asked me to consider the possibility of arranging for Constable and Turner paintings to be exhibited at the National Gallery of Modern Art in Delhi. I shall look into this on my return to London and let you have a reply as soon as possible.

Meanwhile, I send you my very best wishes.

Coms sievely Cayant Shaliter ce meller ops
Indua relations

THE PRIME MINISTER



PERSU

AGE

10 DOWNING STREET No. 7198 4183

28 November, 1983

Un dear Prime Rivister

During our most useful preliminary talk when I had the pleasure of calling on you the day before the Commonwealth Heads of Government Meeting opened, I referred rather briefly to two bilateral points: the modernisation of the Durgapur steel plant; and GEC's bid for the captive power station for Balco. I did not want to take time going into detail when we had so much to discuss of immediate concern in the CHOGM context. But it may be helpful if I send you now this letter in amplification since both points are of considerable importance for our bilateral relations.

When we met in September last year you and I sketched out a basis for Indo-British cooperation on the then proposed new steel plant at Daitari. Given the subsequent postponement of that project, we would be very interested in replacing it with a cooperative venture on a similar scale for the modernisation and possible expansion of the Durgapur steel plant, originally built with British assistance. We would be prepared to offer comparable financing, including aid, to support a substantial supply of British capital equipment. If I am right in thinking that this project is of major importance and priority from India's point of view, it would be a magnificent context for cooperation between us, in an area where British technology is known to be a world leader, and for the extensive utilisation of aid funds.

/ The offer

The offer by GEC to construct a captive power station for Balco's smelter at Korba, which I also mentioned, has been backed by a financing package including capital and local cost aid. GEC have quoted what I understand are very competitive terms. as regards both delivery period and price. I hope therefore that their tender will be given fair and favourable consideration by the Government of India. Their success would be a crucial factor in achieving the aim (on which our officials have been working together so constructively) of ensuring that our current year's aid allocation to India is fully and satisfactorily utilised. It would also be an excellent way of maintaining GEC's currently very active interest in the Indian market, notwithstanding their disappointment over their failure to win the telephone exchanges contract earlier this year.

There is another matter which did not arise in our discussion but which I should also like to mention. I think it would add a further yaluable dimension to Indo/British relationships if we could resuscitate the practice of periodic non-official conferences on matters of current interest, involving leading Indian and British intellectuals, writers, politicians and other opinion formers. If you agree that such exchanges would be useful, I hope you will encourage the appropriate people on your side to talk to our High Commissioner about the best way to proceed. He was instructed to put forward some of our own ideas on this subject to your people earlier this year; but our minds are entirely open and flexible on detail and we shall much look forward to hearing your ideas.

Cus wither

Her Excellency Shrimati Indira Gandhi

CC. High Commissioner



10 DOWNING STREET

From the Private Secretary

28 November, 1983

Constable and Turner Paintings for Exhibition in Delhi

I enclose a copy of a letter which the Prime Minister has received from the Vice-President of India. Mr. Hidayatullah asks whether the Prime Minister can help to arrange for paintings from a Constable Exhibition which are apparently already on view in the United States, together with some paintings by Turner, to be sent to India for special exhibition at the National Gallery of Modern Art in Delhi.

I should be grateful if you would consult all concerned and let me have advice and a draft reply for signature by the Prime Minister as soon as possible.

I am leaving in Delhi a copy of this letter, together with its enclosure, for the High Commissioner.

AUC

P. F. Ricketts, Esq., Foreign and Commonwealth Office



VICE PRESIDENT'S RESIDENCE NEW DELHI-110011 November 28, 1983.

Dear Prime Minister,

We have in Delhi a very well appointed "National Gallery of Modern Art", located in the former Jaipur House. Important exhibitions are held and usually evoke tremendous interest in the people not only of Delhi but also of other towns and cities in India. They make it a point to come to Delhi to visit these exhibitions. One of the important ones was the masterpieces of Rodin, which had the blessings of the President of France.

The exhibitions of the masterpieces of Indian art and craft, which were sent to the United Kingdom during the Festival of India, last year, received overwhelming response from the public there. I understand that United Kingdom is proposing to send a retrospective exhibition of the 19th century British Paintings. I feel that this exhibit will only be of interest to a few academically oriented individuals and not to the common public in India. On the other hand I do know that a large number of people here have heard of Constable and Turner.

. 2 . .

J. S. LALL 83, Jor Bagh New Delhi-110003 Tel.: 615754 November 28, 1983. De au Ma daw 19 mie Hinista in a world in which voicesof sanity have become extremely rare, may I make a plea for the strengthening of the BBC world pervice: I have been a regular listener for the last thirty years, and am dismayed when the signal disappears or fades away, or is jammed into unintellibility. The integrity and impartiality of the BBC has never faltered in the war for the waves. 1 am sure there are many like me who would wish the signal comes through loud and clear, especially in the critical times in which you are Frime minister of Britain. with respectful regards, I am, rours sincerely The Right Honourable Mrs Margaret Thatcher, Frime Minister of Britain.

1 . 15. 5

Ackd. PULL. J. S. LALL New Delhi-110003 Tel.: 615754 November 28, 1983. Dear Nobert Would you be good enough to give the enclosed letter to your rrime Minister? I felt a should put in a word for listeners who depend on the services of the BC for independent reporting. Since I know and admire Mark Tully I did not think it would have been appropriate to have mentioned the welhi Bureau in particular. If the reporting from welhi is any guide, the world Service as a whole is entirely unique. I hope you are feeling better. The Queen was very gracious indeed about the agra book. she said she hoped to read it, when she had the vime. with kindest regards to both of you. Yours sincerely bir mobert made-Gery ACMG High Commissioner of Britain.



JH 174

PS/Secretary of State for Trade and Industry

DEPARTMENT OF TRADE AND INDUSTRY 1-19 VICTORIA STREET LONDON SWIH 0ET

TELEPHONE DIRECT LINE 01-215 5422 SWITCHBOARD 01-215 7877

17 November 1983

Simon Lowe Esq Private Secretary to the Secretary of State for Defence Ministry of Defence Main Building Whitehall

Upbery 11/11

Dear Smon,

My Secretary of State has seen David Barclay's letter of 9 November requesting advice on the Indian Defence Minister's request for a line of credit to cover potential Indian defence purchases.

- The normal HMG vehicle for such credits would be ECGD, which for "sharp" arms business would operate under its Section 2 ("National Interest") account. In fact, during the last two years ECGD has supported defence sales to India of substantial proportions. Over £900m has been earmarked for supplies of Jaguar Aircraft, Sea King helicopters and Sea Eagle missiles alone. All this business has been placed on a cash basis.
- While ECGD could support a line of credit covering future defence sales to India, this would, of course, have to count against the limit, whether or not the facility was ever used at all. Although the Section 2 limit is substantial, demand for cover for civil and military projects is heavy and the negotiations usually take a considerable time. For these reasons ECGD would prefer not to offer to cover a line of credit if this can be avoided as this would freeze a block of cover for a lengthy period. However, Mr Venkataraman can be reassured that sufficient ECGD cover should be available to support contracts on credit terms for ajor capital defence items to meet likely demands. Cover would be considered on a case by case basis in the normal way.
- 4 For your own information, the amount of cover allocated for business with India under ECGD's Section 2 account is £2,500 million. Much of this has already been earmarked for existing firm contracts and there is a great deal of potential business under negotiation (including further arms sales).
- 5 I am sending a copy of this letter to David Barclay and Peter Ricketts.

Your smorely,

Ruth Thompson

Private Secretary

India relations Pt3

\$8010N 1, 96



MO 6/11

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1

Telephone 01-300000 218 2111/3

15th November 1983

16/11

Dear David

Thank you for your letter of 9th November, enclosing the record of the Prime Minister's meeting with the Indian Defence Minister.

The matter of Government-to-Government credit was also raised at Mr Venkataraman's discussion with my Secretary of State, and at Sir Clive Whitmore's meeting with his Indian opposite number. Officials have set in hand the necessary work with urgency, but this will of course take time to bear fruit. I understand that the FCO are meeting the immediate requirement for briefing on this topic, for the Prime Minister's trip to India next week.

I am copying this to Peter Ricketts at the FCO and to Ruth Thompson at the Department of Trade and Industry.

(S H LOWE)

David Barclay Esq

India: UK Runhan Pt3

MINISTRY OF DAFENCE MAN BURDING WHITEHALL DONDON SWI

CONTRACTOR OF THE PARTY OF



CONTIDE TIME FIRE



10 DOWNING STREET

From the Private Secretary

9 November, 1983

Dear Simon,

I enclose a letter recording the Prime Minister's brief meeting with the Indian Defence Minister earlier this week. I should be grateful if, in due course, you could let us have advice on how to respond to Mr. Venkataraman's request for additional Government to Government credit.

I am sending copies of this letter and enclosure to Peter Ricketts (Foreign and Commonwealth Office) and to Ruth Thompson (Department of Trade and Industry).

lows ever,

Simon Lowe, Esq., Ministry of Defence

CONFIDENTIAL

CONFIDENTIAL 10 DOWNING STREET From the Private Secretary 9 November, 1983 Dear Simon, Indian Minister of Defence The Indian Defence Minister called on the Prime Minister on Monday, 7 November at 6.10 p.m. The visit was essentially a courtesy call and lasted about 20 minutes. The atmosphere was friendly and relaxed. The Prime Minister expressed her pleasure at the high degree of co-operation between the UK and India on military matters, especially defence equipment. She said that this reflected the traditional bonds between the UK and India. Mr. Venkataraman agreed. India was hoping to buy more Harriers, as well as Sea King helicopters and Sea Eagle missiles. He had been offered the surface-to-surface variant of the latter and had found it of great interest. Mr. Venkataraman went on to say that the cost of Indian defence procurement was more than his country could afford. world situation compelled them to purchase more and more sophisticated equipment. He asked the Prime Minister whether she would be prepared to consider a Government to Government credit line to cover, in particular, capital equipment in the defence field, as well as shorter term credit for faster moving items such as ammunition. Mr. Venkataraman argued that without credit it was difficult for India to plan her procurement programme sufficiently far ahead. The Prime Minister said that she understood very well the importance of planning in defence procurement. She said that she would look at Mr. Venkataraman's request with a view to being as helpful as she could. Both the Prime Minister and Mr. Venkataraman said that they looked forward to a productive meeting of Commonwealth Heads of Government in Delhi later this month. DAVID BARCLAY S. Lowe, Esq. Ministry of Défence CONFIDENTIAL

R VENKATARAMAN

Minister of Defence.

Born 1910. Educated as a lawyer. He was imprisoned from 1942-44 for his part in the ''Quit India Movement'' and in 1945 he defended Indian National Army soldiers under trial for treason in Singapore. He became a Trade Union worker and was elected to the provisional parliament in 1950 and then to the Lok Sabha from 1952-57 and again since 1977. He was Minister for Industry and Labour in the Tamil Nadu Government from 1957-67 and a Member of the Planning Commission from 1967-71. He has been Managing Editor of the ''Labour Law Journal'' since 1971.

He was a Member of the Indian delegation to the UN General Assembly from 1953-61. He was appointed Minister of Finance in January 1980 and Minister of Defence in January 1982.

Venkataraman made his mark during his period as a Tamil Nadu
Minister and gained much of the credit for the successful
industrial development of the state in the 1960s. He split with
Mrs Gandhi in 1969 but returned to her faction of the Congress
in 1976. Venkataraman is a quiet spoken dignified man who has
the respect of his staff. He is probably the only Union Cabinet
Minister at present who is independent minded enough to make a
mark of his own and while in the Ministry of Finance he wielded
a major influence on economic policy. He successfully resisted
Sanjay Gandhi's encroachments during the early days of the
present Government. His eyesight is not good and his transfer
to Defence is possibly in deference to his health problems.

Married with 3 daughters.

CONFIDENTIAL



MINISTRY OF DEFENCE MAIN BUILDING WHITEHALL LONDON SW1A 2HB

Telephone 01-218 2 1 1 1 / 3 (Direct Dialling)
01-218 9000 (Switchboard)

MO 6/11

4th November 1983

Tmy

Dear John

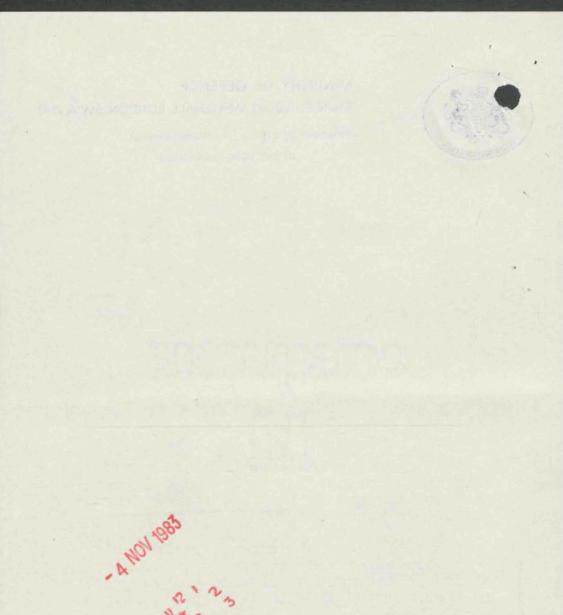
VISIT BY THE INDIAN MINISTER OF DEFENCE

As requested earlier today, I attach briefing material for the Prime Minister's meeting with the Indian Minister of Defence at 1800 on Monday.

My Secretary of State is seeing Mr Venkataraman earlier in the day, and we will of course let you know if any points arise in that meeting of which the Prime Minister should be aware.

(S H LOWE)

Private Secretary



WANDA 1882

PRIME MINISTER'S MEETING WITH MR R VENKATARAMAN, INDIAN DEFENCE MINISTER, 1800 ON MONDAY 6 NOVEMBER

INDO-BRITISH RELATIONS

POINTS TO MAKE

General

- Relations excellent. Enjoyed meeting Mrs Gandhi on
 September, New York. Arrangements going well for visit
 The Queen, 17-26 November.
- 2. Glad we can contribute to Indian economic development through industrial collaboration and aid.

Defence Issues

- 3. Flourishing Indo-British defence relationship. Attach importance to maintaining close and mutually beneficial defence relations.
- 4. Pleased that Royal Navy Task Group led by HMS INVINCIBLE able to visit from 10-18 October. Hope Mr Venkataraman enjoyed his sea-day aboard Invincible.
- 5. Grateful for all the support and help given during the repair of AMBUSCADE in the Indian Naval Dockyard.

Sea King Helicopter/Sea Eagle Missile

6. Grateful for your personal interest and decision to buy. Contract further landmark in flourishing Indo-British defence relationship.

Light Combat Aircraft (LCA)

7. Confident that future defence collaboration possible in LCA project. Understand proposals recently put forward by Rolls Royce/British Aerospace.

Indian Ocean Zone of Peace (Defensive)

8. Not clear what IOPZ would mean in practice - how would it affect Soviet activities in area?

Diego Garcia (Defensive)

9. Soviet military presence in Indian Ocean with its proximity to the Gulf threatens vital Western oil routes. Events in Horn of Africa and the ME reinforce Western concern. Have need for presence on Diego Garcia.

Memorandum of Understanding

10. Government very much looks forward to signing a general defence Memorandum of Understanding with India. An agreement of this kind should create a mutually beneficial political climate in which future defence business can be conducted.

General INDO-BRITISH RELATIONS

- l. Indo-British relations are traditionally close and are better now than for some time. Trust and confidence have greatly improved over recent years. Mrs Gandhi's visit to London to attend the Festival of India in March 1982 was a marked success The importance which HMG attaches to the relationship with India has resulted in a steady flow of visits on both sides.
- 2. Indo-British trade has grown rapidly in recent years and British companies are currently involved in a number of major projects in India, some of them part aid-funded. The UK is India's largest net bilateral aid donor and India receives thelargest proportion of UK bilateral aid (roughly a quarter).
- 3. British defence relations with India are cordial but/extensive. Closer association is hampered by the security implications of India's continuing links with the Soviet Union even though these based on pragmatism rather than ideology. Nonetheless, we provide a significant element of training for Indian personnel in the UK, and recent ship visits to India have improved ties between the RN and IN. It is, however, in the defence sales and wider commercial contexts that India is of particular importance to the UK. The Secretary of State for Defence paid a successful visit to India last September.
- 4. A RN Task Group led by HMS INVINCIBLE conducted a series of visits to India (Bombay, Cochin, Goa) from 10-18 October. The high point was a sea-day aboard INVINCIBLE, attended by Mr Venkataraman, at which INVINCIBLE's Sea Harriers and Sea Kings put through their paces. The extent of current good-will between IN and RN demonstrated

May this year. HMS AMBUSCADE in collision with USS DALE in Indian Ocean. Urgent repairs needed, carried out at Bombay. Indians proved most helpful.

Defence Sales

5. Over past two years there has been a major change in India's policy of defence equipment purchases. They now look less to the Soviet Union and more to Europe as major suppliers. The most important recent development was the signing in July of the Sea King/Sea Eagle contract valued at £240m. Delivery is now under way of the first instalment of the 8 Sea Harriers the Indians purchased in 1979; one of the currenttopics under discussion is the training of the Indian Sea Harrier pilots at RNAS Yeovilton and certain problems that have occurred with the Pegasus engine. There are a number of important defence sales equipment prospects currently in discussion with the Indians. Details are at Annex.

Indain Ocean Zone of Peace

6. A proposal for an IOPZ in 1971 by Sri Lanka was backed by India and the Non Aligned Movement. There are implications for naval activities in the region, with Diego Garcia a prime consideration for the UK and US. There have been hints from Indian officials that India is reconsidering its position on IOPZ, but may still be interested in calling a conference to discuss the way forward.

MEMORANDUM OF UNDERSTANDING

7. Discussion continuing with Indians for last 12 months on preparation of a general "umbrella" defence Memorandum of Understanding (MOU) covering research and development, equipment production and related subjects. Indians keen to sign MOU since they hope to the to undertaking which should apply to all future sales (and they may wish it to be retrospective as well). We do not wish to give offence by seeming unenthusiastic, but we are anxious to avoid making

commitments that we would not wish to fulfil in practice. It should, however, be possible to achieve a text acceptable to the UK.

ANNEX

Sea King/Sea Eagle

Contract for 20 Sea King helicopters with Sea Eagle missile was signed in July, supported by a Government to Government Memorandum of Understanding. To aid British industry, the Prime Minister personally intervened with Mrs Gandhi to counteract severe pressure from the French competition.

Sea Harrier

The Indian Navy have purchased 8 Sea Harriers, all of which should have been delivered by RNAS Yeovilton to train Indian pilots — but to date only 2 have arrived. Engine surge problems have delayed delivery of the other 6 but has been solved. Currently British Aerospace and Indian Government are negotiating for acceptance of remaining aircraft. A further contract for 12 may be considered shortly.

Combat Engineer Tractor (CET)

A CET was tested in Rajasthan for two months this year; with the exception of minor problems, the vehicle performed well. The Indian Army has initial requirement for 50 with possible further buy of 250.

FH70 Field Howitzer

FH70 has been tested in India in competition with French, Swedish and Austrian firms.

Light Combat Aircraft (LCA)

Rolls Royce BAe have forwarded proposals for a joint Indian/UK development of the LCA, based on the RB199 engine. The proposals have been reportedly favourably received.

Airborne Early Training Aircraft (AEW)

The Indian Air Force, and possibly the Indian Navy, has a requirement for an aircraft with AEW capability. AEW Nimrod is a long term requirement and may in any case prove too expensive. Both Marconi and Ferranti have submitted proposals for AEW equipment for the HS748/Coastguards.



10 DOWNING STREET

John: 100 10

INDIAN DEFENCE MINISTER

Hod tell are that
when The Venkatavaman
visits the P.M. an
The November, he will
probably bring a small
gift. Sameane will
try to let us know what
it will be in due course.

Jusan. 28.10.83 David Barclay 2

BF

10 DOWNING STREET

From the Private Secretary

26 October, 1983.

Indian Defence Minister

Thank you for your letter of 19 October. Mrs. Thatcher could see Mr. Venkataraman at 6 o'clock pm on 7 November.

I am sending a copy of this letter to Peter Ricketts (Foreign and Commonwealth Office).

A.J. COLES

Miss Wendy Anderton, Ministry of Defence.





MO 6/11

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1A 2HB

Telephone 01-9392022 218 2111/3

19th October 1983

Men fine Ninter.

The only time you would see the Adie define

The only time you would see the Adie define

The his brief of the descoming bout form

In the first the afternoon. To you want to see him

Doe Tim, at, say, 6.00 p.m. A. J. C. 24.

Mr Venkataraman, the Indian Defence Minister, is visiting the UK early next month from 6th-10th November at the Secretary of State's invitation. We would very much hope that the Prime Minister could spare the time to see Mr Venkataraman for a brief courtesy call. A personality note is attached.

It is important that we strike the right chord with the Indians from the outset. The Foreign Office regard Mr Venkataraman as being on a par with the Indian Foreign Minister as the member of Mrs Gandhi's Cabinet most important to British interests and have been trying for some years to persuade him to visit this country both in his previous capacity of Finance Minister and, since January 1982, as Minister of Defence.

This particular invitation arose out of Sir John Nott's visit to India in September last year. While in the normal course of events we would hope to be able to match the very generous hospitality which the Indians showed then, the reason for extending an invitation at this time is primarily to build on the sizeable defence sales, which could be as much as £1 billion in the coming year, and wider Defence contacts.

The Prime Minister will be aware (she herself wrote to Mrs Gandhi about this) that the Indians recently signed a contract for Sea King helicopters and Sea Eagle anti-ship missiles worth a total of "250 million. Mr Venkataraman was the Minister responsible for awarding this contract and a call on the Prime Minister (although she would have seen Mrs Gandhi in New York on 30th September) would provide an opportunity to thank the Indian Defence Minister as well.

If the Prime Minister felt able to receive Mr Venkataraman, the ideal time would be the afternoon of Monday 7th November. The Foreign and Commonwealth Secretary has expressed a wish to see Mr Venkataraman, a former Finance Minister colleague, if at all possible. At the moment the call is planned for 1800 on 7th November. We understand that Sir Geoffrey Howe may be returning

T Flesher Esq

20 OCT 1983



from a meeting with the Prime Minister to receive Mr Venkataraman. There may therefore be some scope for dovetailing a call on the Prime Minister with the proposed call on the Foreign Secretary. If, however, a call on 7th November proves impossible to arrange, then we would not necessarily wish to press the Prime Minister to see Mr Venkataraman at any other time although there is some scope in his programme to accommodate a call around 1800 on either Tuesday 8th or Wednesday 9th November. The Indian Defence Minister is due to depart early on 10th November.

I am copying this letter to the Foreign Secretary's Office.

your ever

(W ANDERTON) (MISSIERAL)

D. R VENKATARAMAN

Minister of Defence.

Born 1910. Educated as a lawyer. He was imprisoned from 1942-44 for his part in the ''Quit India Movement'' and in 1945 he defended Indian National Army soldiers under trial for treason in Singapore. He became a Trade Union worker and was elected to the provisional parliament in 1950 and then to the Lok Sabha from 1952-57 and again since 1977. He was Minister for Industry and Labour in the Tamil Nadu Government from 1957-67 and a Member of the Planning Commission from 1967-71. He has been Managing Editor of the ''Labour Law Journal'' since 1971.

He was a Member of the Indian delegation to the UN General Assembly from 1953-61. He was appointed Minister of Finance in January 1980 and Minister of Defence in January 1982.

Venkataraman made his mark during his period as a Tamil Nadu Minister and gained much of the credit for the successful industrial development of the state in the 1960s. He split with Mrs Gandhi in 1969 but returned to her faction of the Congress in 1976. Venkataraman is a quiet spoken dignified man who has the respect of his staff. He is probably the only Union Cabinet Minister at present who is independent minded enough to make a mark of his own and while in the Ministry of Finance he wielded a major influence on economic policy. He successfully resisted Sanjay Gandhi's encroachments during the early days of the present Government. His eyesight is not good and his transfer to Defence is possibly in deference to his health problems.

Married with 3 daughters.

10 DOWNING STREET 30 August, 1983 From the Private Secretary I am writing on behalf of John Coles to thank you for your letter of 27 August about the unveiling of a statue of your father, Mr. G. D. Birla. The Prime Minister was interested to hear of the statue but I am afraid that, given the many demands on her time, she will be unable to accept your kind invitation. As I am sure you will understand, the Prime Minister receives very many invitations of which, inevitably, she is able to accept only a very small proportion. TIMOTHY FLESHER B. K. Birla, Esq.

With best complements & regards

RAMESH KUMAR

Vice President

CIMMCO INTERNATIONAL 206 Upper Richmond Road, Putney, London SW15 6TD (UK)

Telex: 8813601 GHF G Tel. Office: 01-785 9919 Res. 01-788 2352

es. 01-788 2352

CIMMCO INTERNATIONAL B.K.BIRLA 206 Upper Richmond Rd. LONDON SW15 6TD Camp: London August 27,1983 Mr. John Coles Personal Secretary to Prime Minister 10 Downing Street London SW1 Dear Mr. Coles My father Mr.G.D.Birla had the pleasure and privilage of meeting The Rt. Margaret Thatcher, The Prime Minister in Bombay and thereafter in London. Unfortunately he expired suddenly in London on 11th June 1983 at the age of 89. He was cremated here at the Golders Green Crematorium. As a memorial to him, we are planning to install his statue in bronze in the above crematorium. We expect that this would be ready by about the middle of 1984. We shall be grateful if The Prime Minister will kindly agree to unveil the statue. The exact time and date will be fixed later on as per convenience of The Prime Minister. We shall be obliged that despite of her heavy engagement The Prime Minister will kindly agree to spare a few minutes for this occasion. Thanking you and with kind regards Yours sincerely B.K.BIRLA

PRIME MINISTER We have received a request from Mr. B. K. Birla, who lives in Zug, to come and see you while you are staying at Schloss Freudenberg. You will remember that Mr. Birla's father saw you at No. 10 a few months ago, shortly before he died. Mr. Birla asks if it would be possible for him and his wife to call on you on Wednesday 24 August in the afternoon. Do you wish to see Mr. Birla? Mr. halkaka: Zug 21 82 44 Debbie Green 18 August 1983

Mr. Birlar from Zug is at the moment in India. When he returns he wishes to make an appointment to call on the Prime Minister. (When Mr. Birlar's wife died the PM wrote a letter of condolence to him).

The message came through the Consulate in Zurich.

Miss Ann Rackett has told Mr. Lalkaka that the matter is in hand.

Miss Ann Rackett 01 47 15 20

The father is now dead so it is Mr. B. K. Birla and he wrote from Park Towers, Flat No. 2, Brick Street, London, W.1. The FCO advised the PM on what she should send to Mr. Birla at the time of his father's death and there was also a communication to Mrs. Gandhi. The PM wrote on 14 June.

A. J. C. 27/2. The PM told me that she my longer wished me to my longer wished me to get involved, tollowing her tete is tollowing this week with last C earlies this week MA 39% We spoke this morning. Since then Robert Wade-Gery, our High Commissioner in Delhi, has rung me. He has been in touch with GEC who are now to send a mission to India. He thought that, once this mission has taken place and GEC have generally stirred themselves more, he might well advise that the Prime Minister should send a message to Mrs. Gandhi supporting their bid. I told him that if the Department of Trade were to advise in due course that GEC really had done everything possible I thought that the Prime Minister would look favourably on a recommendation that she should send a message. You were going to ask the Prime Minister whether she wanted you to talk to Lord Carrington. I am rather inclined to think that, now GEC are sending a mission to India, this might not be

necessary.

A. J. C.

Prime Piniste

From the Birla Family.

At. C. 28.

27582 CABOFF G 27582 CABOFF G 21 7421 KICM IN DR PL PASS ON THE FLG MSG TO MR JOHN COLES. PRIVATE SECRETARY TO THE PRIME MINISTER

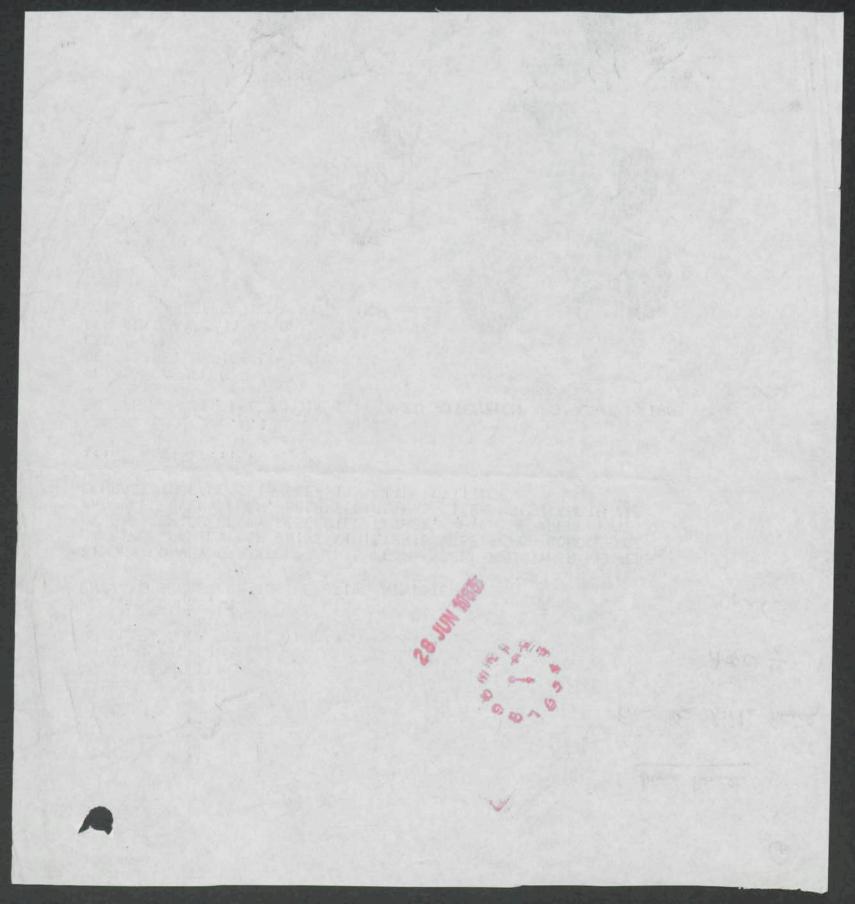
KINDLY CONVEY GRATEFUL THANKS FROM MYSELF AND OTHER MEMBERS OF BIRLA FAMILY FOR PRIME MINISTER'S MESSAGE OF CONDOLENCE ON SAD DEMISE OF MY RESPECTED FATHER, WHICH WE APPRECIATE AND VALUE VERY MUCH. HER MESSAGE HAS GIVEN US STRENGTH AND COURAGE TO FACE THIS CALAMITY WITH FORTITUDE

::: B K BIRLA:::

MSG NO 502 /28.6.1983 PL PASS ON ABV MSG TO THE CONCERNED ATTENTION AND PLS CONFIRM

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10 DOWNING STREET

From the Private Secretary

28 June 1983

INDIA: CRICKET

Thank you for your letter of 27 June. The Prime Minister feels that it would not be appropriate for her to send a message of congratulation to Mrs. Gandhi about the Indian cricket team's success in the Prudential World Cup competition.

A. J. COLES

J.E. Holmes, Esq., Foreign and Commonwealth Office.



COMMERCIAL IN CONFIDENCE

DEPARTMENT OF TRADE AND INDUSTRY

Room 11.01 Ashdown House 123 Victoria Street SW1E 6RB

8813148 Telex

Telegrams Advantage London SW1 Telephone Direct Line 01-212 3301

Switchboard 01-212 7676

24 June 1983

Tim Flesher Esq Private Secretary to the Prime Minister 10 Downing Street LONDON SW1

Secretary of State for Trade & Industry

lless Tim

SYSTEM X/INDIA

You will recall that GEC have bid to supply System X telephone exchanges and related technology to India. They are competing with the French, Germans and Belgians for a £200m order which will establish a second technology for digital telephone switching in what is potentially an enormous market - the first such foothold was preempted last year by the French, successfully by-passing international competition with an astute mix of financial and trading offers. This is the only major current opportunity for exporting System X, and success in India would represent a significant entry into world markets.

- The evaluation of competing bids has dragged on now for over a year, and was due to conclude this summer. We know that System X has shown well in most respects of the technical appraisal - except that it cannot yet show the required number of lines in public service - and that GEC have put in a reasonably competitive price. Knowing that the French backed their earlier pre-emptive bid with mixed credits, we have offered to match any soft terms offered for this tender using the Aid and Trade Provision. The prospect was thus reasonably optimistic.
- However, in recent weeks the future of this four horse competition has been put in doubt by various inter-departmental machinations in Delhi, and it seems that the Indian Cabinet is poised to abandon the tender in favour of an alternative solution to their switching requirements. We do not know what this alternative may be, although intelligence from the High Commission and through GEC indicates that it involves another pre-emptive offer from the French. It is believed that President Mitterand has been lobbying personally with Mrs Gandhi to this end.



lar level of intervention from

4 GEC are arguing that a similar level of intervention from the UK is required urgently to keep alive the competitive tender and hence their prospects in India. Following the clear advice of the Acting High Commissioner in Delhi my Secretary of State does not think Prime Ministerial intervention would in fact be appropriate at this juncture. GEC have not yet done enough themselves to establish the true position, and an early intervention might expose the Prime Minister to a rebuff. The Post are further concerned not to cut across the other outstanding exchange over Sea King/Sea Eagle. Since GEC may well seek to put their arguments directly, you should be aware of the reasoning behind our conclusion.

- Our Acting High Commissioner advises and we agree that the situation is possibly already beyond redemption, and that until we and GEC can establish additional attractions for the System X bid which would justify Indian reconsideration of their position, it would be unwise to associate the Prime Minister with this cause. Our experience of GEC's efforts in India to date, the inadequacy of which has attracted criticism from all sides, does not encourage thoughts that they can yet snatch success, even with high level endorsement. In short, we see little to be gained and something possibly lost (in terms of credibility) from acceding to GEC's request at this point.
- This advice by no means indicates that we are giving up our backing for GEC. A team was in Delhi in April led by the Chief Engineer of BT Kenneth Baker, who was to have led the team, was detained in London at the last moment and was able to make an effective presentation of the case for System X. It is significant that GEC did not send any senior level support for this visit. Mr Baker has indicated his willingness to reinstate his own visit, and has invited his opposite number to visit the UK. Our Acting High Commissioner continues to press the Indian Minister of Communications to acknowledge the attractions of the UK bid. We have recently secured agreement to making an unconditional offer of aid support, matching the financial terms offered by the French. This will require over £52 million from the ATP. We have indicated further aid support for the local costs of the project if requested.
- 7 The onus is now on GEC to identify ways of improving their offer and to get out to Delhi and put their case directly to the decision-makers they are currently considering this. The time for Prime Ministerial intervention, if at all, is after GEC have established their claims with the Indians.
- 8 While the prospects for System X in India now look uncertain, we have good prospects for other digital telecommunication orders in this market. Plessey have secured a Letter of Intent for rural exchanges (based on System X

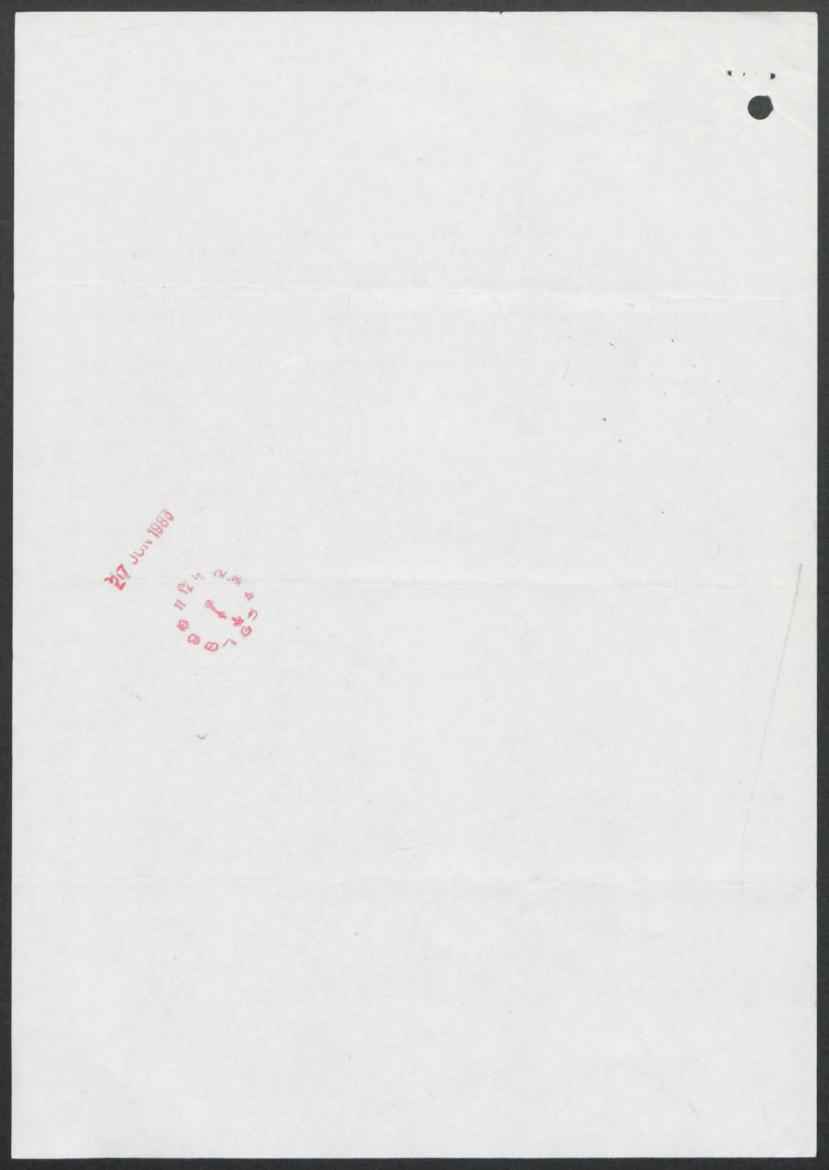


COMMERCIAL IN CONFIDENCE

technology) and are also well poised to supply advanced private branch exchanges. These orders, funded with bilateral aid, could well establish UK digital technology in the smaller but nonetheless lucrative end of the Indian switching market. In addition, STC are negotiating a collaborative arrangement for local manufacture of optical fibres, and BT are discussing other collaborations.

9 I am copying this to John Holmes and Michael Power in the Foreign Office.

STEPHEN NICKLEN Private Secretary



this this is a lit Foreign and Commonwealth Office London SW1A 2AH to you want to send it? 27 June, 1983 A. & C. 25/ Deer John, India: Cricket The Indian cricket team's success last Saturday in the final of the Prudential World Cup competition is being celebrated as a major event throughout India. A message of congratulation from the Prime Minister to Mrs Gandhi would give great pleasure to the latter and would also be seen as a compliment to India. A draft message in the form of a telegram to Delhi is enclosed. (J E Holmes) Private Secretary A J Coles Esq Private Secretary 10 Downing Street

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	11	1. Please pass the following message from the Prime Minister						
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Dear Mr. Coles, MR. 6.

am enclosing herewith "THE LAST JOURNEY" published in remembrance and tribute to Mr G D Birla ji.

with the compliments of & kind regards

CIMMCO INTERNATIONAL 206 Upper Richmond Road, 3rd Floor, London SW 15 6 TD UK Laures Kenne

RAMESH KUMAR

Tel. (01) 785-9919 Telex 8813601 GHF G





यस्य रमरणमात्रेण जन्मसंसारबन्धनात् । विमुच्यते नमस्तरमे विष्णवे प्रभविष्णवे ।।

जिनके स्मरणमात्र से मनुष्य जन्म-मृत्यु रूप संसार बंधन से मुक्त हो जाता है, सबकी उत्पत्ति के कारणभूत उन भगवान् विष्णु को नमस्कार है।

In 1894 a boy was born in a prosperous business family in Pilani. There was nothing unusual in this event except that Pilani was a little known tiny village in the Rajasthan desert and yet could boast of a very large banyan tree with copious branches reaching the earth, the day was the one on which thousands of years ago Purushottam (the best amongst men) Rama was born, and the child, in the words of Wordsworth, was father of the man - G.D. Birla. From time to time inherited genes - like the roll of the dice, roulette ball, the fall of cards - play a thousand million-to-one trick, and turn up a Shankaracharya, a Vivekanand, a Gandhi, a Tilak, who by a further coincidence of time and circumstance, exercises his special genius to ultimate capacity. Pujya Babuji (G.D. Birla) is such a man.

अनु गा विद् दे कि। स्वड काल हारी अने आपकी स्व अने दिये व्यवाय दुर्गा





20th July, 1924.

MY DEAR GHANSHYAMDASJI,

God has given me mentors, and I regard you as one of them. Among them are some of my own children, some sisters and some others like yourself and Jamnalalji who are grown-up. They all wish me to become a perfect man. Understanding this, how can I be offended with your letter? I want you to always caution me like this......

Yours sincerely, MOHANDAS GANDHI

"Gandhiji was a man among men—a rare specimen not produced by the world even once in a century. And yet people have known so little of him as a man. The result was that, although I did not agree with him on many problems, I never refused to obey his wishes. For his part, he not only tolerated my independence of thought, but loved me all the more for it, as a father would his child. Our relations, therefore, became more in the nature of a family attachment, of a father towards a son, whichlasted to the end of his life."





A legend in his own lifetime. So aptly can this sentence convey the legacy of Shri. Ghanshyamdasji Birla's dynamism, humbleness, goodwill and philanthrophy; of a man who was an institution by himself; whose enigmatic career could fill exhaustive tomes; of a man who rarely spoke but when he did, never of himself.

G.D. Birla a multi-faceted humanitarian was destined at an early age of 20 to meet a great man, the Mahatma and their fruitful association lasted a little over three decades. This could have lasted longer, had not an assasin's bullet felled Gandhiji, ironically, in the shadow of the Delhi Birla House.

Gandhiji's causes blossomed under G.D. Birla's munificence, and he possessed an uncanny knowledge of Gandhiji's mind. He could never have been termed a sycophant and at times differed from the views expressed by Gandhiji, often speaking with a bluntness only Gandhiji could value.

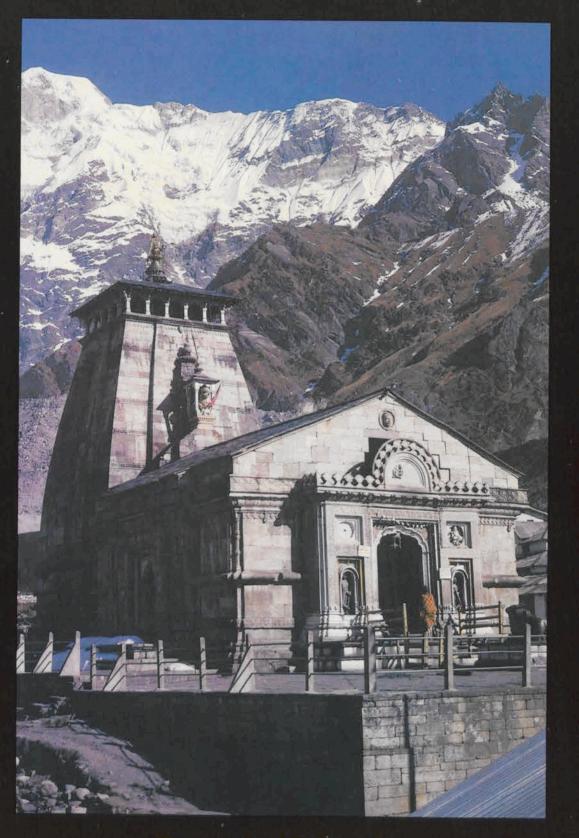
An educationist, author, painter, unofficial diplomat, humanitarian, philanthrophist, G.D. Birla presented a complex personality. A self taught man, the captain of industry, he was immensely fond of devotional music, being a deeply religious man.

As the years went by, far from dulling his ardour for his pet passions, each of the several facets deepened and added lustre to his life. So much so, that at a ripe age of 89, G.D. Birla undertook a strenous and painstaking pilgrimage to the holy temple of Kedarnathji, an effort that could baulk even the staunch hearted. But that was how G.D. Birla lived, and that was how he died. He had the will, patience, courage and the heartfelt desire to please his Maker, and the Gods smiled upon him.

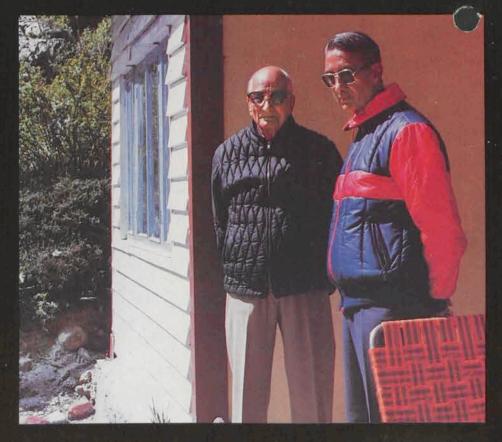
One picture may be worth a thousand words, but it will take a whole collage, a volume of photographs to capture this will-'o-wisp called Charisma.

Today, India has lost one of her greatest sons, his God granting him the peace he always sought throughout his lifetime.

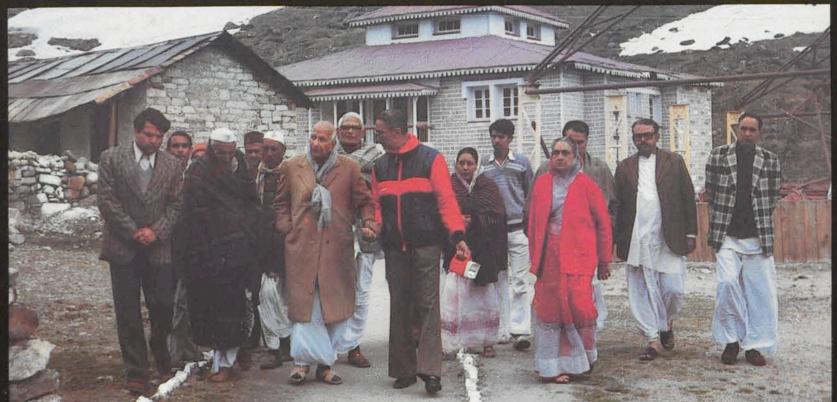
Eternal rest grant to him, O Lord, and let perpetual light shine upon him, we pray. May his soul rest in peace.



The temple of Kedarnathji



Babuji sets out to the holy temple of Kedarnathji, along with his son Shri Basant Kumar Birla, daughterin-law Smt. Sarla Birla and his associates.....





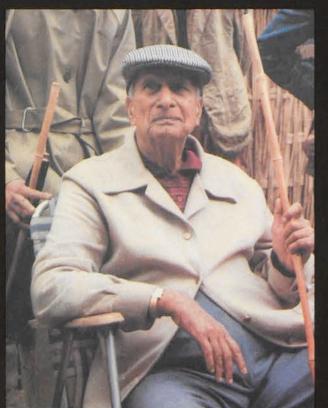


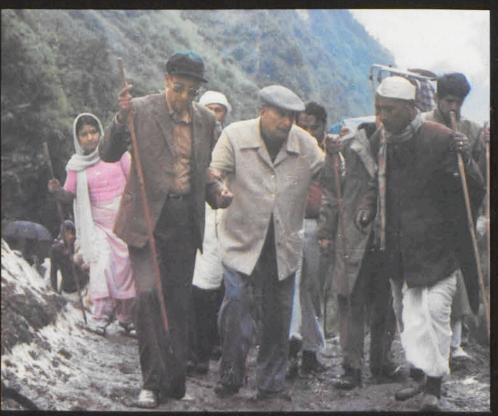




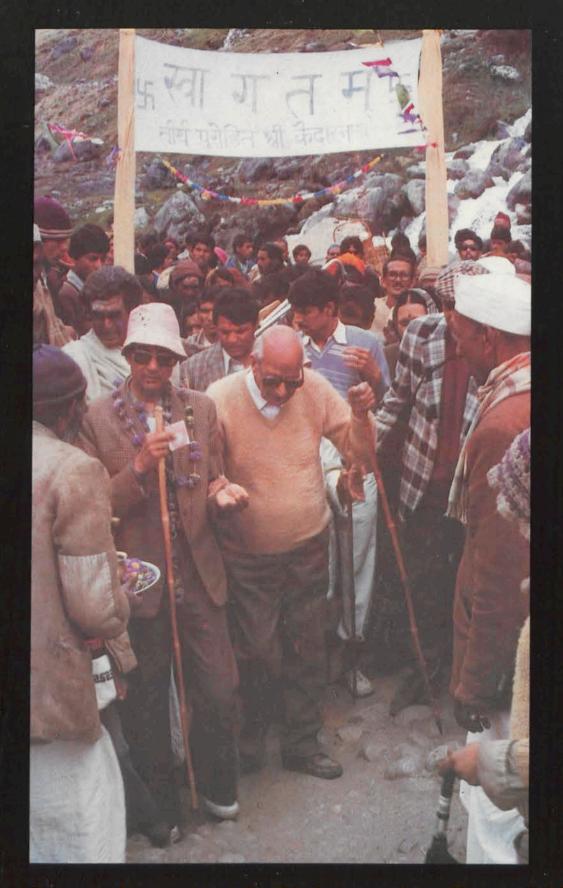
.....trekking through these green hills and trudging through the rough ice, he moves

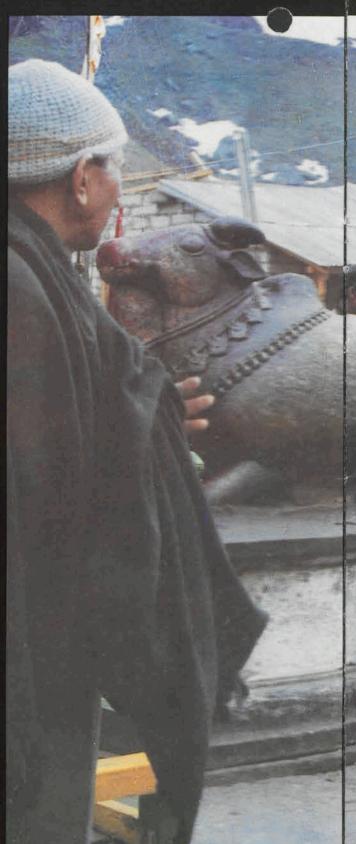


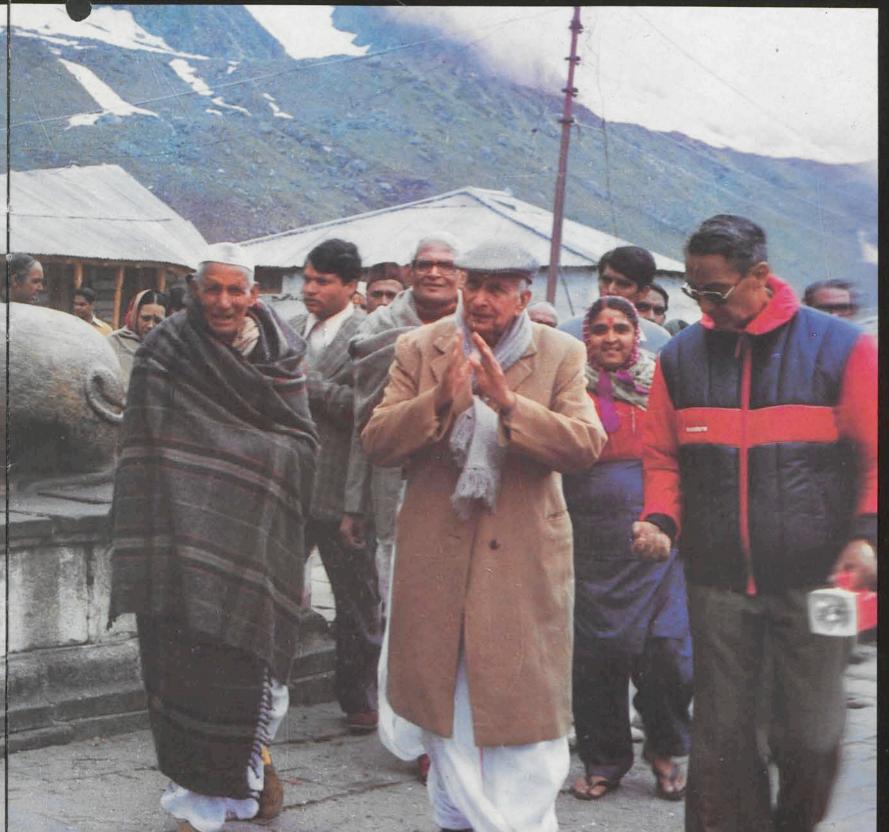




onwards to his much wonted destination.

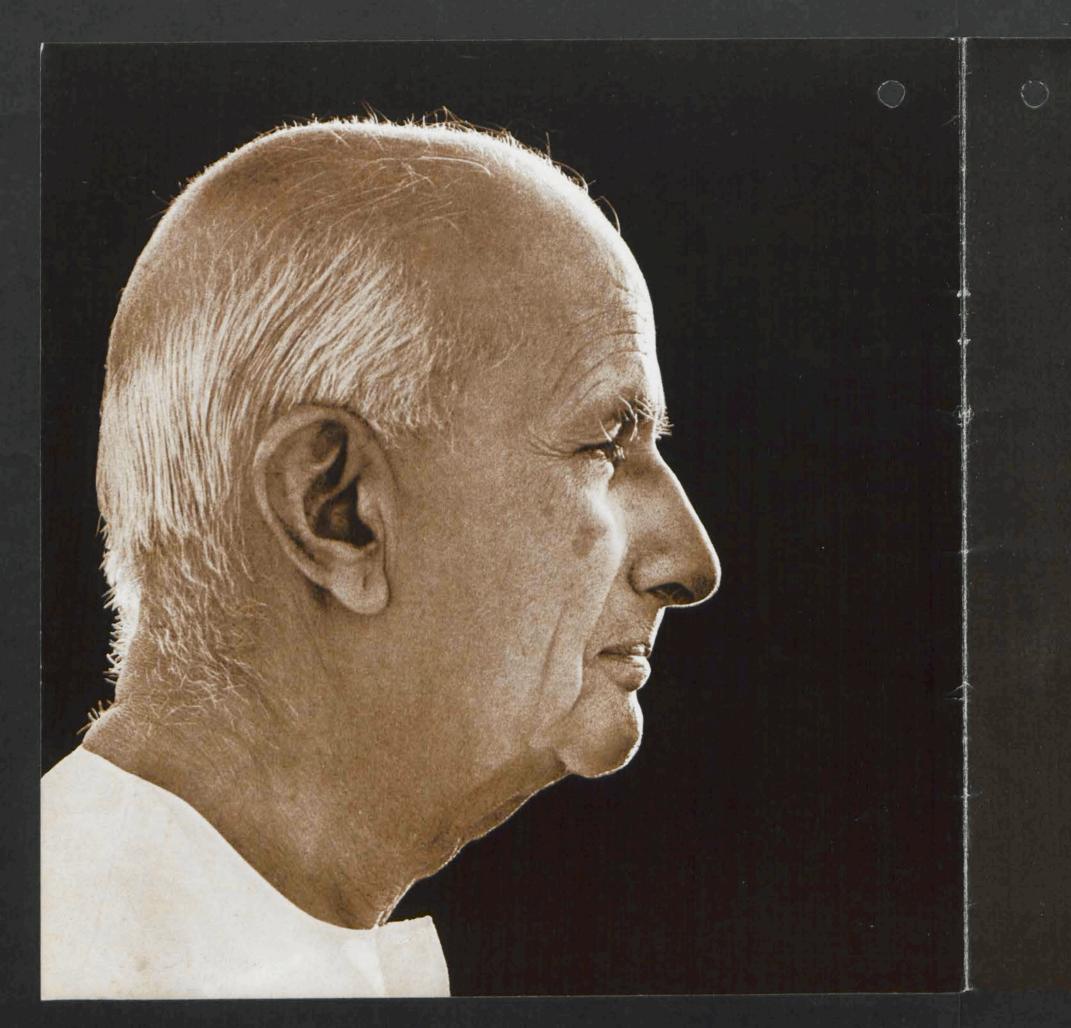






A sense of peace pervades his being and an all powerful faith in God washes over

his self, at a duty well-done.



पूज्य बाबूजी,

अनुग्रह कर्ता धन्यवाद के पात्र होते हैं, परन्तु जो स्वभावतः ही सब का उपकार करते हैं, जिनके उपकार की क्रिया घड़ी की सुई की तरह निरन्तर ही चलती रहती है उनका आभार प्रदर्शन अशक्य है। सूर्य स्वभावतः प्रकाश फैलाता है, सबको जीवन देता है परन्तु उसका आभार प्रदर्शन कैसे हो? मन से, वचन से, कर्म से, स्वभावतः उपकार करने वाले तो प्रायः आनन्द और दुख की परिधि से बाहर होते हैं लेकिन उपकार भोक्ताओं को इससे जो आनन्द की अनुभूति होती है उसका प्रदर्शन तो मूक ही होता है। तुलसी के शब्दों में ''तेरे मेरे नाते अनेक''। परन्तु वे सब के सब नाते हमारे मांगने के और आपके देने के हैं। अतः ''मांगऊं तुलसीदास कर जोरे'' की तरह आपसे इस अवसर पर हम लोग आपके मंगलमयी और कल्याणकारी आशीर्वचनों की मांग करते हैं जिससे सब कलाओं से उत्कृष्ट ''जीवन-कला'' को सीखने और अपनाने के मार्ग पर हम चल सकें।



WHAT THEY SAID...

THE TIMES MONDAY JUNE 13 1983

OBITUARY

MR GHANSHYAMDAS BIRLA

Influential Indian businessman

Mr Ghanshvamdas Birla, one of the most influential of Indian businessmen, who also played an important role in the financing of Gandhi's movement for Indian independence from Britain died, in London on June 11, at the age of 89.

In addition to the main charge of the vast industrial and commercial undertakings of his firm Birla Bros Ltd, he played an unportant if not very clearly defined role in the background of the prolonged discussions and negotiations which ultimately resulted in Indian indepen-

For more than a generation he was in close and affectionate contact with Gandhi, and his In the Shadow of the Mahatma (1953) throws light on the attainment of Indian independence from his own particular angle and also on the Mahatma's character with its amazing mixture of simplicity and

Birla's deep purse was always open to assist Gandhi's schemes of social reform, even when he did not agree with them, and his large donations to Congress Party funds were perhaps prompted equally by patriotism and business acumen. It was in the garden of G. D. Birla's Delhi house that Mahatma Gandhi was assassinated in

Ghanshyamdas Birla was born in 1894 at Pilani, a remote village in the arid north of the Rajasthan State of Jaipur. His grandfather had migrated from the village to Bombay at the age of 17. In a single room he had an office and dealt with silver and seeds. His only son Raja Baldevdas Birla started business in Calcutta and built up an important export and import

Ghanshyamdas and his three vounger brothers took to industrial production under the stimulus of the 1914-1918 War and formed the great firm of Birla Brothers. In spite of many handicaps the business went from strength to strength. When war came again in 1939 the firm was producing 10 per cent of India's vast output of sugar and 4 per cent of her cotton manufactures. Many cotton pressing and ginning factories, a paper mill, a steel factory, and three great engineering workshops were under the direction of the firm, which also did a large amount of insurance and banking business.

Towards the end of the war to the production of cycles and textiles machinery there was added motor manufacture. which gave them an important foothold in the industry which they were to exploit in the first decades of freedom.

Ghanshyamdas was a leading signatory in the middle of the war of the famous Bombay plan envisaging a great advance in the industrialization of his country, chiefly by big business

After independence Birla Brothers continued to support in financial and general terms the Congress Party of the centre and the states. If, like other industrialists they viewed with some misgivings the early tendencies of Mr Nehru's Government toward nationalizing great enterprises, they chose to remain Congress backers rather than switch to newer right wing political groups. In 1954 the firm took a leading part in negotiations with a group of six British engineering firms for a great expansion of Indian steel production. The Delhi Government, however, rejected the scheme largely on trade with Russia, a country he the ground that private ownership of such a undertaking would be contrary to the industrial policy of the country.

From his early days Ghanshyamdas had taken part in public affairs. He was a member of the Fiscal Commission which in the early twenties recom mended a policy of discriminating protection of Indian industries. Later he served on the Royal Commission on Indian Labour.

He was elected to the Bengal Legislative Council and afterwards was a Member of the Indian Legislative Assembly, but resigned in 1930 in protest against legislation for Imperial Preference. When the Preference was lapsing in 1936-37, he was one of the unofficial advisers of the Government who came to this country to promote an Indo-British trade agreement, He was a leading figure in the Bengal Indian Chamber of Commerce and was sometime Chairman of the All-India Federation of such bodies.

He also came near to being the Indian equivalent of a Press Lord and among his successful enterprises in this field were the weekly financial journal the Eastern Economist and the Hindustan Times, a Delhi daily edited for many years by Mr Devadas Gandhi, a son of the Mahatma.

The Birla Brothers remained faithful to the Marwari tradition of the association of benevolence with wealth. The Birla Educational Trust they founded made a great educational centre of the remote Rajasthan village from which they came. The institutions at Pilani included the Birla College and a Naval School where, during the war, recruits for Government Naval Service were trained at the rate of 500 per annum. Educational benefactions included the establishment of schools and colleges elsewhere in Rajasthan and also in Calcutta the headquarters of the firm, where he also erected a planetarium

Birla, in his later years in business travelled widely and paid considerable attention to studied closely despite his strong aversion to communism. He was deeply ambitious to extend the wealth and power of his commercial empire, and as a financial operator on a country wide scale he had no equal for quickness of mind and decision.

He was made an hon Doctor of Laws by the Hindu University of Benares in 1967.

Mrs. Gandhi lauds Birla's role

Hindustan Times

NEW DELHI, June 13-Prime Minister Indira Gandhi today expressed profound grief over the sudden demise of Mr. G.D. Birla in London on Saturday, and described him as a veteran of Indian business, industry and public

In a condolence message sent from Copenhagen, where she is on an official tour, Mrs. Gandhi said "our public life will miss a veteran whose contributions in various spheres of life have enriched the country."

She said Mr. Birla's acumen and dynamism had made him one of the notable pioneers and spokesmen of India industry. In addition to business, he was interested in public affairs and advancement of the Hindi language and was connected with several organisa-

"My sympathies to his sons and other members of the family", she said.

THE ECONOMIC TIMES

BOMBAY, TUESDAY, JUNE 14, 1983

G. D. Birla

Das Birla (G. D., to friends) Indian industry has lost its leaders is not so well known. father figure, chief protagonist No social reconstruction plan and authentic spokesman. To emanated from the Sabarmati say so and no more is to ignore Ashram which was not readily the other sides of a personality who was a veritable colossus. Half the history of Indian industry in the last half a century is the story of G. D. Birla and his accomplishments. Businessman at the age of 12, owner of an independent business at 16, builder of an industrial empire by 40, G. D. Birla's success story is the story of the coming of age of Indian industry itself. A robust commonsense, doughty realism and spectacular optimism have been the basis of his entrepreneurial

If modernisation was a passion with him, innovation was him the Nobel Prize. G. D. his creed. He was one of the readily gave the money. The first to underline the necessity rest is history. The impecunious of technology transfer. No wonder, the Birla industries have always striven to acquire the most modern technology, at least as modern as possible for a' third world country. All this came naturally to him because he was inspired by a rare vision. the vision of a mighty industrial nation that India is destined to become. In this sense, he was an inspiration to generations of young men who have had the initiative to enter the industrial field. As one of the signatories to the Bombay plan of 1946, he expressed his view of what the nation's industrial priorities should be. Because of his dominance of the industrial scene, his role as an associate of Mahatma Gandhi and his part in the freedom movement

In the death of Ghanshyam as a crucial messenger between the viceroy and the national underwritten and propagated under the auspices of Birla House. His interest in education partook of the nature of missionary zeal since he was a totally self-educated man. The gigantic Pilani complex is a standing monument to G. D.'s determination to provide the best in science and technology to deserving Indians. Many years ago, an unknown scientific worker from the south of the country approached G. D. Birla with a request for a fivefigure sum to purchase some equipment to carry on experiments which would even win scientist was C. V. Raman. Whether it be industry, education or social work, activity was his flagship. And vision his beacon light. His was a full life.

INDIAN EXPRESS

Bombay: Tuesday June 14 1983

A man of many parts

THE passing of Ganshyam Das Birla removes from the scene ne of the foremost pioneers of India's industrialisation. He died peacefully in London at the ripe old age of 90, active till the last and as concerned as ever with the country's future and particularly its industrial and economic growth. He was one of the authors of the "Bombay Plan", published on the eve of Independence and calculated to inspire a vision of India's future as an industrial nation

G. D. Birla was a man of many parts. He was a pillar of the national movement, friend and host of Gandhi and one of the major financiers of the Congress, both before and after Independence. He early recognised the importance of skilled manpower and established a number of educational institutions at Pilani in Rajasthan and elsewhere which remain centres of excellence. He was the doyen among Indian industrialists and saw the House of Birla grow from national to multinational dimensions. His papers and correspondence must constitute a veritable treasure trove. These should be made suitably available to the public in view of their archival importance. This would itself be a fitting memorial to the man and commemorate his services to the nation.

THE TIMES OF INDIA 14TH JUNE 1983

An Important Life

Mr G. D. Birla died the way he lived-mobile and active. And it was characteristic of the man that he should have told his son in advance that his body should not be brought back to India in case he died abroad. He had a distaste for pompous gestures which is what he thought bringing back his body to India would amount to. In this regard, as in others, he did not have many peers in the country. An optimal use of time and resources formed the dynamic principle of his life from the age of 12 when he started out in the family business of jute broking till his last breath in London. In this sense, his was more a highly modernised, even western, mind than a traditionally Hindu one though he had not had formal education. Yet, he read the Gita almost every day, was well versed in the Indian classics and campaigned throughout his long life for the promotion of Sanskrit and Vedic studies. Probably, it was this combination that helped Mr Birla stand out from the crowd of run-of-the-mill traders and industrialists. As he described himself in an interview when he turned 85: "Although I have been in business, I wouldn't say I have been a businessman.... I have been a student all my life. I am still a student." This apparently helped him develop a keen business and political sense, though perhaps he was born with it.

'हाथ काम, मुख राम, हिरदे सांची प्रीत'



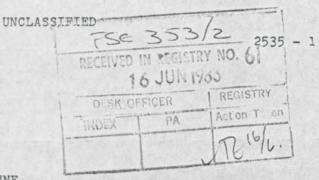
में यही बर्टा चार्ता है वि क्रिम क्रिके देंद्र माम्बान का नाम क्रिके। हरबद् अपका मंत्र सकरेगा

Anexinging

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TOP COPY

OO NEW DELHI
GRS 156
UNCLASSIFIED
FM FCO 151555Z JUN 83
TO IMMEDIATE DELHI
TELEGRAM NUMBER 299 OF 15 JUNE
DEATH OF G D BIRLA



- 1. AS YOU WILL KNOW, BIRLA DIED IN LONDON ON 11 JUNE. HIS BODY WAS CREMATED ON 13 JUNE AT GOLDERS GREEN CREMATORIUM. THE PRIME MINISTER, WHO HAD AGREED TO RECEIVE A CALL FROM BIRLA THIS MONTH, HAS EXPRESSED CONDOLENCES TO HIS SON.
- 2. UNLESS YOU SEE ANY OBJECTION, YOU SHOULD PASS THE FOLLOWING MESSAGE OF CONDOLENCE FROM THE PRIME MINISTER TO MRS GANDHI.
 BEGINS: DEAR PRIME MINISTER, I HAVE LEARNED WITH SORROW OF THE DEATH HERE IN LONDON OF MR G D BIRLA. AS ONE OF THE ARCHITECTS OF MODERN INDIA HE MADE A UNIQUE CONTRIBUTION TO THE INDUSTRIAL DEVELOPMENT OF HIS COUNTRY. I MUCH ENJOYED MEETING HIM WHEN I VISITED BOMBAY IN 1981 AND HAD LOOKED FORWARD TO SEEING HIM DURING HIS VISIT TO LONDON. I KNOW THAT HIS LOSS WILL BE KEENLY FELT IN INDIA.

BEST WISHES,

YOURS EVER,

MARGARET THATCHER. ENDS

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10 DOWNING STREET

From the Private Secretary

15 June, 1983

India: Death of Mr. G. D. Birla

Thank you for your letter of 13 June. You will already have seen the message of condolence which the Prime Minster has sent to Mr. Birla's son.

Provided the High Commissioner in Delhi sees no objection, I should be grateful if you would arrange for a message to be delivered to Mrs. Gandhi from the Prime Minister in the following terms:

"Dear Prime Minister,

I have learned with sorrow of the death here in London of Mr. G. D. Birla. As one of the architects of modern India he made a unique contribution to the industrial development of his country. I much enjoyed meeting him when I visited Bombay in 1981, and had looked forward to seeing him during his visit to London. I know that his loss will be keenly felt in India.

Best wishes.

Yours ever, Margaret Thatcher."

E. D. COLES

John Holmes, Esq., Foreign and Commonwealth Office



Is he coming for atalk with the PMP ASC put in a minute. 10 DOWNING STREET THE PRIME MINISTER 14 June, 1983 The The Dilas I was deeply distressed to hear that your father died on 11 June. He was a most distinguished citizen of India and his passing will be widely mourned. I send my sincere condolences to you and to all members of your late father's family. Jayans Lelhe Mr. B. K. Birla. RM!

PRIME MINISTER Death of Mr. G.D. Birla I have submitted to you separately a letter of condolences to his son. You may also like to send a message to Mrs. Gandhi on the following lines: "I have learned with sorrow of the death here in London of Mr. G.D. Birla. As one of the architects of modern India he made a unique contribution to the industrial development of his country. I much enjoyed meeting him when I visted Bombay in 1981, and had looked forward to seeing him during his visit to London. I know that his loss will be keenly felt in India." Yes me Agree that this may be telegraphed? A.J. C. 13 June, 1983.

Foreign and Commonwealth Office London SW1A 2AH 13 June 1983 Deer JAn. India: Death of Mr G D Birla Mr Birla, the influential Indian industrialist, died in London during the weekend. He was due to call on the Prime Minister later this month. Mrs Thatcher may wish to send a message of condolence to his son, who I understand has been in touch with you, on the following lines: "I was very sorry to hear of the death of your father. I had been much looking forward to meeting him again. His loss will be deeply felt not only in India but in the international community at large. My husband joins me in sending you and your family our condolences." I also enclose a draft telegram to New Delhi containing a possible message to Mrs Gandhi. We have not been able to check with them whether there is any local reason why such a message would be inappropriate, which is why the telegram gives the High Commissioner a chance to object if he wishes. (J E Holmes) Private Secretary A J Coles Esq 10 Downing Street

ZCZC 1 ZCZC 2 GRS GRS CLASS UNCLASSIFIED CAVEATS 4 DESKBY 5 6 FM FCO FM FCO PRE/ADD 7 TO IMMEDIATE DELHI TEL NO 8 TELEGRAM NUMBER DEATH OF G D BIRLA 10 1. As you will know, Birla died in London on 11 June. His body 11 was cremated this afternoon at Golders Green Crematorium. The 12 Prime Minister, who had agreed to receive a call from Birla this 13 month, has expressed condolences to his son. 14 2. Unless you see any objection, you should pass the following 15 message of condolence from the Prime Minister to Mrs Gandhi. 16 BEGINS: I have learned with sorrow of the death here in London of Mr G D Birla. As one of the architects of modern in he 17 18 made a unique contribution to the industrial development of his country. I much enjoyed meeting him when I visited Bombay in 20 1981 and had looked forward to seeing him during his visit to 21 London. I know that his loss will be keenly felt in India. ENDS 22 23 PYM 11 24 NNNN 25

NNNN ends telegram	BLANK	Catchword		
File number	Dept	Distribution Minimal		
Drafted by (Block PRIVATE	capitals) SECRETARY	SAD PCD PS Mr Giffard Mr Donald		
Telephone number 233 464				
Authorised for des	patch			
Comoon reference	e Time of despatch			

010

B.K. BIRLA

Camp: Park Towers, Flat No.2, Brick Street, London, W.1

Telephone Nos. 409-2762

12th June, 1983.

Dear Mr. John Coles,

With deep grief I would like to inform you that my father Mr. G.D.Birla had a heart stroke and suddenly expired at 9.40 AM on 11th June, 1983. My wife and myself have come here with other family members for the cremation to be held tomorrow at 4.00 PM in Golders Green Crematorium.

You could please perhaps kindly inform the Prime Minister about this sad event.

Regards,

Yours sincerely,

Macun

(B. K. Birla)

Mr. John Coles,
Private Secretary to the Prime Minister,
10 Downing Street,
London.

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PRIME MINISTER

Kang Johnik Your Johnik

You agreed earlier to see the above who is a distinguished and powerful Indian industrialist whom you met in Bombay in April 1981. But in the event we had to cancel the appointment.

He is now in London again and will be here until about next Thursday. I do not think that in this busy week you need see him. But do you want to try to fit him in for 20 minutes?

I attach a message of congratulation which arrived from Mr. Birla this morning.

10 June 1983

Not Lineal A. J. C.

N. firla died in Landon the weelend. A menage is being amidwal regently to him buily. At 13

no x 10 DOWNING STREET 10 June 1983 From the Private Secretary Thank you very much for your letter of your letter of your studies of your congratulations to the Prime Minister's attention immediately to the Prime Will be most grateful for and know that she will be most grateful your message. your message. Mr. G.D. Birla

G. D. BIRLA London, 10th June, 1983. Dear Mr. John Coles. Under a heap of messages of congratulations that the Prime Minister will receive mine perhaps shall be lost under the pile. Yet I venture to send my most cordial congratulations to the Prime Minister on her massive victory, since mine is from an Indian citizen a great admirer of the Prime Minister. This great feat has added new responsibilities. I am sure however that God shall guide her towards greater

achievements.

Please convey my most cordial regards and congratulations to the Prime Minister.

> I am shortly returning to my country. With my kindest regards.

> > Yours sincerely, le souls

Mr. John Coles. Private Secretary to the Prime Minister, 10 Downing Street. London.

CIMMCO INTERNATIONAL
206 Upper Richmond Road, Putney, London SW15 STD (UK)
Telephone: 01-785 9919 Telex: 8813601 GHF G.

Mr John Coles
Personal Secretary to the Prime Minister
10 Downing Street
LONDON SW1

Dear Mr Coles
This is to advise you that Mr G D Birla will be

This is to advise you that Mr G D Birla will be arriving in London today, 1 June 1983. During his stay his address will be as under:

Mr G D Birla Flat 2 Park Towers 14 Old Park Lane LONDON W1

Tel No: 409 2762

He may also be contacted through this office.

With best regards

Yours sincerely

Rains Kume

Ramesh Kumar Vice President

He is lese will about 16 Forme. I do not think the J. R. will be so the stand of the stand of the stand.

A.J. C. 8.

Tired to get M. Kumar 3/6 again

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to AJC on 7~ 8/6).

Mes 3/6

India 4



from the Chairman Sir George Jefferson CBE

SW1

British Telecommunications

2-12 Gresham Street LONDON EC2V 7AG Telephone National

01-432 4020

International

+ 44 1 432 4020

Telex 883051

Prestel Page 383

The RT Hon Mrs Margaret Thatcher MP The Prime Minister 10 Downing Street LONDON

2nd

5 May 1983

Pone Muric

Deas Prime Minister

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I am writing to thank you for taking the time to telephone Mrs Ghandi on the occasion of the 50th anniversary of the telephone service between the United Kingdom and India on 3 May.

India is one of the 129 countries which can be dialled direct from the United Kingdom and we in British Telecom are proud of being acknowledged world leaders in the range, quality and availability of our international communications services. As a developing country, India's network inevitably causes us operational difficulties but, appropriately in World Communications Year, my people in British Telecom International have contributed significantly to helping the Overseas Communications Service in Bombay to get the best out of their installations.

Thank you for so kindly helping us to celebrate this occasion in our international services which came at a time when we and our main suppliers are working together to try to export significant quantities of British telecommunications equipment to India.

SIR GEORGE JEFFERSON

£5 MAY 1980



P.ETECOV.

comaster ops steve Nicklen Challenty TRANSCRIPT OF TELEPHONE CONVERSATION BETWEEN MRS. THATCHER AND MRS. GANDHI MARKING 50TH ANNIVERSARY OF UK/INDIA PUBLIC TELEPHONE SERVICE : 3 MAY 1983 PRIME MINISTER'S PERSONAL MESSAGE Mrs. Gandhi: Hello SERIAL No. TSS183 Hello Mrs. Gandhi, Margaret Thatcher here, Mrs. Thatcher: how are you? Mrs. Gandhi: I am fine. It is so nice to hear your voice. How are you Prime Minister? Mrs. Thatcher: I am very well and very happy to be talking on this 50th anniversary of the first telephone service between Britain and India. It was a great occasion and I think we both agreed that we should mark it by this call. Mrs. Gandhi: Well I am delighted to be at this end of it. We take telephones so much for granted and it seems strange that such a short while ago we managed without them. Mrs. Thatcher: Well I think it has done so much both within countries and between them.

Mrs. Gandhi: Here in India we are trying to use communications to narrow our cultural difference between our urban and our rural areas. Already radio, to and satellite communications are giving our villages access to information and education and contributing to the revival of our own regional music, art forms, drama and so on. Because in a country of our size, we do feel that preserving the diversity is part of reinforcing our unity.

Mrs. Thatcher: Yes, I am sure that is right. It obviously does a great deal to help both with industry and with your culture. We watch you know very carefully everything that goes on in India. You know we have just had a terrible month's rain but of course in part of your country you had a drought a few weeks ago.

Mrs. Gandhi: A drought in about three fourths of the country and rain where we didn't want it.

Mrs. Thatcher: It's wonderful to hear you. I very much look forward to seeing you next time. I hope you and your family are keeping very well and that the people of India are prospering. They are very close to our hearts.

Mrs. Gandhi: We'll thank you Prime Minister, we are all very well and we wish you the same and may I say we are looking forward to meeting you. You will find a warm welcome in India and may I through you send my good wishes to the British people.

Mrs. Thatcher: Thank you very much indeed. Good-bye Mrs. Gandhi every good wish to you and your people. Good-bye.

Mrs. Gandhi: Good-bye.

The occasion is the 50th Anniversary (1 May) of the opening of telephone services between the UK and India.

The following background is attached:-

Annex A - A speaking note.

Annex B - World communications year

Annex C - Feature article on "50 years of co-operation"

Press Arrangements

We understand that Indian TV and journalists will be present with Mrs. Gandhi when she takes the call.

At this end there will be two photographers (Central Office of Information and British Telecom). We are also making arrangements to tape the conversation so that a transcript can be released afterwards with a Press Release.

Because of the press involvement and as it will be an "open line" the content of the call must not contain anything confidential.

As photographers will be present, I suggest you make the call from the White Room rather than the Study. I have arranged with Mr. Taylor that there should be a desk for you to sit at.

R

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and a



10 DOWNING STREET

TIM

Prime Minister's 'phone call with Mrs Ghandi. Have you spoken to Industry about the possibility of industrial action? Answer: Do you want me to pursue it and if there is a possibility of industrial action should we cancel/postpone?

IAN KYDD

TELEPHONE CALL BETWEEN PRIME MINISTER AND MRS GANDHI 3 MAY 1983

SPEAKING NOTE

50th Anniversary of UK/India Telecommunications

- 1. First opportunity we have had to speak since our meeting over breakfast in Delhi last September.
- 2. Appropriate that call should mark 50th Anniversary of first telephone service between Britain and India.
- 3. Amazing fact that cost of 3 minute call between Britain and India has fallen in fifty years from £6 in 1933 equivalent to £70 at today's prices to just £2.97 today. A remarkable example of the economic benefits of modern technology.
- 4. Opportune that call is taking place in World Communications Year. We are marking this event in November with conference for Commonwealth communications experts. Hope India will be represented.
- 5. Britain has been closely associated with development of communications in India. Hope these links can be further strengthened in the future. British industry stands ready to play its part in transfer of advanced technology.

Non-Aligned Summit

6. Congratulations on your chairmanship of Non-Aligned Movement. Confident that under your guidance the Movement will gain in stature. Have read with interest your letter setting out conclusions of Summit.



Commonwealth Heads of Government Meeting

8. Very much looking forward to visiting India in November. Many important social, economic and political issues to discuss. Confident under your Chairmanship the Commonwealth will give a positive lead in the immensely difficult problems facing the world.

50TH ANNIVERSARY OF UK/INDIA TELEPHONE LINKS

ress Briefing Material

1983 is World Communications Year (WCY) - designated by the UN General Assembly.

The UK is playing an active role in the Year both at home and abroad.

One of the UK's major contributions to the Year will be the sponsoring of a Commonwealth Conference (by HMG, British Telecom and Cable and Wireless plc) on the theme of "Telecommunications and Economic Development", to be held at Wilton Park in November.

BACKGROUND

World Communications Year

The UN has designated 1983 as World Communications Year (WCY). The UN sees WCY as offering an opportunity for all countries to "undertake an in-depth review and analysis of their communication policies and stimulate the accelerated development of communication infrastructures". The Secretary of State for Industry announced on 31 January the UK response to the WCY (copy of Dept Press Release attacked).

The UK wishes to take the opportunity of WCY to foster increased co-operation amongst Commonwealth countries in the telecommunication sector. The Commonwealth Conference will not be inter-governmental and the invitations which have gone out to telecommunications experts throughout the Commonwealth stress that the invitations are being sent to people in their personal capacity only.

Independent International Commission on World-Wide Telecommunications Development

3 The 1982 Nairobi Plenipotentiary Conference of the International Telecommunication Union adopted a resolution establishing an Independent International Commission on World-Wide Telecommunications Development. The UK were instrumental in the adoption of this resolution. The broad mandate of the Commission is to examine the totality of existing

and possible future relationships between countries in the field of telecommunications involving technical co-operation and a transfer of resources, in order to identify the most successful methods of such transfer. The UK has nominated Sir Donald Maitland as UK Member for the Commision. Special Voluntary Programme The UK sponsored a resolution at the Nairobi Plenipotentiary Conference which established a Special Voluntary Programme aimed at helping to meet the telecommunication needs of the developing world. It is not intended that HMG will contribute financially to this fund but it is hoped that industry in the UK will. T Division Department of Industry 27 April 1983



PRESS NOTICE

Department of Industry

123 Victoria Street, London SW1E 6RB TEL: 01-212 5494/5

Ref: 21

31 January 1983

UK CONTRIBUTION TO WORLD COMMUNICATIONS YEAR ANNOUNCED BY PATRICK JENKIN

Mr Patrick Jenkin MP, Secretary of State for Industry, today announced a national programme for 1983, as the UK contribution to World Communications Year (WCY), which will direct help to developing countries and strengthen communications at home and abroad.

The programme includes:

- . Overseas promotion to demonstrate Britain's telecommunications expertise
- . Training for overseas telecommunications staff
- . An offer of rural telephone exchanges to a Commonwealth developing country
- . A Commonwealth telecommunications seminar
- . A voluntary development fund for the developing world.

At home, WCY will build on the success of Information Technology Year 1982, with:

- . Competitions, exhibitions and overseas visits for young people
- . A Science Museum exhibition
- . Communications centres
- . A major end-of-year conference.

This year was declared World Communications Year by the United Nations and is seen by them as providing an opportunity for all countries to analyse their own communication policies and to develop their internal communications. The activity, under the direction of the International Telecommunication Union (ITU) will pay particular attention to the needs of the developing countries. The Year will enable the UK to build upon its international initiatives, emphasise the importance attached to telecommunications in the developing world and demonstrate its strength in telecommunications services and equipment.

The Government has set up a national committee to carry out the UK programme. Members include Mr Kenneth Baker MP, Minister for Information Technology;

Sir George Jefferson, Chairman of British Telecom; Mr Eric Sharp, Chairman Cable and Wireless plc; Mr Des Pitcher, President of the Telecommunications Equipment Manufacturers Association and Mr Stephen Finch, President of the Telecommunications Managers Association. A Working Group with representatives of interested Government Departments, the operators, manufacturers and users will work closely with the Committee on detailed proposals and with the ITU.

Notes to Editors

Further detail of the UK's WCY programme is attached.

Non-press calls to 01-212 8792.

WORLD COMMUNICATIONS YEAR - THE UK CONTRIBUTION

Britain's activities for World Communications Year will be on two fronts. First, help will be directed to the outside world. Mr Jenkin made it clear when he spoke to the Plenipotentiary Conference of the ITy in Nairobi last Autumn, that Britain fully recognises the developing world's need for better communications.

Britain has a tremendous amount to offer the rest of the world in technology, training, expertise and products. It is in the vanguard of the telecommunications revolution. For example, British Telecom's digitalisation programme or the operation by BT of the longest optical fibre trunk circuit in the world. British Embassies and High Commissions abroad will therefore be asked to arrange special functions— film shows and exhibitions— to show key decision makers what Britain has to offer.

To provide more training for people from overseas, the amount of money available for bringing overseas telecommunications staff to the UK for training under the ITU Fellowship Scheme will be increased five-fold. British Telecom, Cable and Wireless and major UK companies already provide very considerable training facilities for overseas staff and the Department of Industry is considering with them how this valuable contribution can be increased.

In addition, DOI is in touch with an African Commonwealth telecommunications authority about the possible provision of three GEC UXD5B digital telephone exchanges and digital micro-wave transmission equipment. The aim is to demonstrate the relevance of the new technology to the needs of the developing world. The equipment will p rovide more efficient service and easier maintenance. The offer will include the necessary training and expert advice.

Of course, Britain already supports communications projects in a number of countries from Aid funds, including Bangladesh, Colombia, India, Lesotho, Malaysia, Mauritius and Nepal and there may be other projects which could be supported as a further contribution to the Year.

This year will also see the signing of a new financial agreement whereby the external operators in Britain, Australia and Canada will provide financial and other support to the international telecommunications entities of Commonwealth developing countries. This should give new impetus to Commonwealth collaboration.

A Commonwealth telecommunications seminar towards the end of the year, bringing together key decision makers, is also under consideration.

To bridge the home and overseas parts of the programme, Britain is exploring the feasibility of establishing a voluntary development fund so that both industry and the ordinary people of this country can contribute towards meeting some of the communication needs of the developing world in line with the objectives of the ITU special voluntary programme, which was established, through a UK initiative, at the Nairobi Conference. The aim will be to transfer resources on a people-to-people basis, quite independent of Government - a special Oxfam to cater for the critical communication needs of the most deprived in the world.

This covers proposals for World Communications Year outside Britain. But at the same time, the Government wants to use the Year to increase awareness of communications within the UK, building on the Information Technology Year awareness campaign.

Young people will be made aware of what changing communications can offer them, in everyday life and in choosing a career, and competitions, exhibitions and overseas visits are planned.

STC, a major telecommunications manufacturer, has arranged for a permanent telecommunications exhibition at the Science Museum, and it is hoped local museums will consider what they can do.

Impact of WCY will go well beyond the young, reaching management and the trade unions. The awareness campaign will include establishing communications centres where British equipment can be seen by the general public. For example, British Rail have indicated a willingness to consider establishing such centres at major rail termini and the British Airports Authority may follow this example.

Overseas visits will play a useful role. For example, the Japanese companies Fujitsu and Mitsibushi, Siemens of Germany and Motorola of the USA have offered to arrange visits for young people and trade union members from the UK. The UK Council for Computing Development are organising a conference in October, to be hosted by the GLC, on the development of communications in large urban complexes.

International telecommunications are essential to the development of world trade. The Department of Industry is therefore proposing to hold a major conference in

London towards the end of this year - together with the British Computer Society and the Department of Trade - on the theme that world communications are the trade routes of the future.

The Government is looking to all organisations - schools, colleges and local authorities - to make their own contribution to World Communications Year and Telecommunications Division of the Department of Industry would be very interested to hear of any initiatives, on 01-212 8792.

Department of Industry

Ashdown House 123 Victoria Street London SW1E 6RB



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Written for: COI

Subject: UK-India telephone links

Title: FIFTY YEARS OF CO-OPERATION

Length: 550 words

Author: David Orr

Telephone: 01-357 2130

India 1

The public telephone service between India and the United Kingdom celebrates its fiftieth anniversary on May 1 this year. Although the history of international telecommunications links between the two countries stretches back into the last century - the London to Bombay telegraph service was inaugurated in 1870 - the establishing of a long-distance HF radiotelephone service in 1933 was an important milestone.

Telephone systems in both countries have changed and developed enormously during those fifty years. The international links, too, have been refined out of all recognition through close cooperation and mutual investment.

63

When the telephone service was first introduced in 1933 it was available only between 9.00 am and 1.00 pm British time. It was also expensive, with a three-minute call from the UK costing £6.00 - a considerable sum of money in those days. Today the cost of a three-minute direct dialled call is just £2.58 at off peak times.

Post-war development in India saw the initial Bombay centre augmented by three others at New Delhi, Calcutta and Madras. Gradually the HF radio services were expanded to provide telegraph newscasts, telex and a radiophoto service.

In the 1950s and 1960s the inadequacy of HF radio point-to-point service in terms of quantity, quality and round-the-clock operation was being acutely felt throughout the world. Through contact with the United Kingdom authorities India followed the development of satellite communications with keen interest, deputing engineers for participation in the early Telstar experiments.

Subsequently, the first Indian earth station at Arvi, north of Pune, came into commercial operation in February 1971, linking with British Telecom's existing earth station at Goonhilly Downs, Cornwall, which had opened some ten years previously. This was followed by a second earth station at Dehara Dun, with terminal facilities at New Delhi.

When the first earth station was commissioned, manual telephone and telex facilities only could be provided. However, by the end of 1972 a semi-automatic telex exchange was commissioned, followed a year later by a semi-automatic telephone exchange of the crossbar type.

With better means of communication, traffic between the two countries increased considerably. The initial capacity of the gateway exchanges at Bombay was soon exhausted, and customers' requirements continued to be supported by manual systems.

Further development of the semi-automatic systems enabled international direct dialling facilities to be set up between Bombay and New Delhi and the whole of the United Kingdom. The service was introduced on a round-the-clock basis in 1976.

During that year about 170,000 calls were made through the international links; in 1981-82 that figure had risen to more than 780,000 and current use is running at more than 100,000 calls a month.

On December 16 last year, direct dialling between the two countries was extended to a further 30 cities in India - expanding coverage to an estimated 90% of that country's business population (44% of all telephone subscribers).

India 4 The historical links between the two countries are strong, and in recent years they have been fostered by joint involvement in the various international satellite organisations. It was the Indian representative who chaired the committee which drafted the initial INMARSAT agreement; British Telecom is now the largest Western European shareholder in INMARSAT, which is responsible for world-wide maritime satellites and their control systems. With falling costs, wider and more versatile services, use of telecommunications links between India and Britain is quite likely to grow as much in the next five years as it has done in the last half century. ends FT638(3/83)



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MINISTER OF STATE FOR DEFENCE

PROCUREMENT

A.J. C. 29.

D/MIN/GP/19/5/25

Secretary of State

rolles Pattie.

VISIT TO INDIA 18TH-27TH APRIL - MINISTER(DP) AND HDS

I attach a general summary of this visit. HDS will write separately on the sales aspects and a record of the meetings will also be issued. In the meantime I thought you would wish to have this summary.

General Comments

- India's relationships with Britain since independence have been complex. So many of the senior generation were trained in Britain or by the British that they have a quick appreciation of British attitudes and very often genuine affection and nostalgia too. At the same time there is evident a fierce pride and a determination to do things for themselves "to indigenise". They resent needing help and yet they accept that they must have help in advanced technology. They will reject anything which smacks of charity but they will bargain with all the skill of the street trader in order to extract the last ounce of advantage in a transaction.
- 3. It is a cliche to describe India as a country of contrasts but as it happens nowhere is this more true than in technology. This really is the country of the satellite (the latest one being successfully launched the day before my arrival) and of the bullock cart. In the past the Indians have wanted to squeeze the last drop of advantage in terms of access to our research and they always seek the most advanced version of any system thereby posing difficult security problems for us. When they are buying they play off France, Russia and ourselves and our companies find that even a "best and final offer" has to be subjected to still further improvement to satisfy Indian requirements.
- Despite their apparently insatiable demands for knowledge we have done some substantial business in India the most significant example of course being Jaguar aircraft. Indian confidence in us was shaken by problems over the supply.of spares during the first war with Pakistan. On top of this they have a hitherto well founded belief that Britain is mainly interested in selling them equipment which while not being obsolescent is not the most advanced either.

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- 5. The fundamental policy issue is whether we attach importance to having good relations with India. If we do, and I would have thought it was to our advantage to do so, then one of the best ways to secure such good relations is in the field of defence co-operation. The gradual emergence of pockets of indigenous Indian advanced technology should assist in a process which I have described to the Indians as technology sharing rather than simply technology transfer. Sharing implies that they could have a genuine contribution to make and certainly in the 'DARIN' navigation/attack system developed for Jaguar with help from British and French firms they have a system which could well be of interest to us. Possibilities also occur for sales to third parties from joint programmes.
- 6. It is of course essential to keep Indian possibilities in perspective. For a long time to come they will need far more from us than we will get back but the new so called umbrella Memorandum of Understanding now in draft will provide for regular exchanges on a range of projects and issues. Nor should the importance of inter service contacts such as the visit here by the Indian CNS be underestimated. The central aim must be to convince the Indians that we are serious in wanting to work with them and by indicating that we are prepared to supply Sea Eagle with the Sea Kings and to supply Blindfire Rapier at some future date. We have given firm evidence of our intentions.
 - 7. I have however indicated to the Indians very clearly indeed that the sort of relationship which is envisaged requires a healthy amount of working capital in the short term and our test of their sincerity will be the award of contracts. Currently we are very close to a £200 million deal on Sea Kings and the betting is that we will succeed. We will however believe it, and celebrate accordingly, when we see the signatures on the contracts.

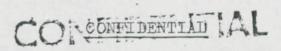
Description of the Visit

8. Our visit to India took place at an important time in the development of UK/Indian relations in the Defence equipment field, and indeed at a significant stage in the development of India's own Defence procurement policy. This policy rests on two planks: India's ability to choose the most suitable equipment from either East or West without falling under the influence of either bloc; and their firm aim of building up their own Defence industries, which leads to demands for at least a measure of licensed production to be associated with any contract. (It is noteworthy that in the case of much Soviet equipment this is not the case).

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- 9. Beyond this, however; a number of conflicting themes are evident in their policy. Their plans to develop a new MBT call for a totally Indian design, since they believe they are totally capable in this area. Conversely, the Indians are likely to place competitive feasibility studies with the UK and the Soviet Union for the design of their proposed Light Combat Aircraft (LCA), and they understand that this project will require the closest collaboration with their chosen partner over the whole range of the technologies involved. Again, while wishing in many cases to take advantage of the relatively low cost of Soviet equipment, the Indians realise that the Russians are rarely prepared to offer much transfer of technology. However, in the area of marine engines it was claimed that the less sophisticated Soviet equipment was more suited to indigenous manufacture and maintenance than the relatively high technology Rolls Royce gas turbines we have on offer.
- Overall I would judge that the Indian desire to renew and build on their traditional Defence links with Britain, which became apparent during Sir John Nott's and PUS' visits to India last year and the recent visit to the UK by Defence Secretary Kaul and Scientific Adviser Aranachalam, is strengthening. I detected that the Indians are becoming disillusioned with their relationship with the Soviet Union and are irritated by the Russians patronising attitude towards them. In particular, the recent visits to India by the Defence scientists' team lead by ACSA(R) and DCA(RT)'s team to discuss collaboration on the LCA project have persuaded the Indians that Britain is prepared to assist India to develop her own technological and Defence industrial base, and to work towards a '2 way street' in Defence business. However, apart from the less tangible benefit of reducing Soviet influence in India, this process will only pay dividends to the UK if it leads to our winning more Defence equipment orders than would otherwise have been the case. Indians, of course, will not be slow to exploit every opportunity of gaining the maximum amount of information and assistance for the minimum cost. During my meetings with Indian officials I made it clear that British help in the longer term was dependent on a significant proportion of the forthcoming Indian Defence equipment orders being placed with British companies.
- 11. Against this background, the Indian MOD will shortly be taking decisions on a large number of equipment programmes worth in all about £1 Billion but it must be emphasised that the timing of the expenditure is uncertain. The prospects include Sea King Helicopters, Sea Eagle Missiles, Sea Harrier aircraft, Rolls Royce Marine gas turbines, and Airborne Early Warning system, Rapier, Combat Engineer Tractors, Vickers RR CV12 engine for Indian MBT and FH70 field guns. An analysis of the current position on Defence Sales prospects will be included in the Defence Sales report of the visit.

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- 12. The programme for our visit included calls on the C in C Western Naval Command, Vice Admiral Tahiliani; and the Mazagon Dock Shipbuilders in Bombay, the HAL aircraft and aero engine factory and the National Aircraft Laboratory in Bangalore, and the Avadi tank factory and the Combat Vehicle R & D Establishment at Madras. I then travelled to Delhi for discussions with Indian MOD Ministers and senior officers and officials. An outline programme is at Annex and detailed records of my meetings will follow:
- 13. In Bombay, Admiral Tahiliani, though most hospitable, was highly cautious in discussing the equipment programmes of interest to us, and I would judge this was on instructions from Delhi, Tahiliani is also believed to be pro-French. The visit to Mazagon Dock Shipbuilders was mainly of interest for the view we had of the two Godavari Class frigates currently being built there. These heavily armed ships have a modified Leander hull design and engines with Soviet anti ship and anti aircraft missiles, guns and torpedoes, and longer space for two Sea King size helicopters. These ships illustrate the very powerful weapon systems the Indians can build for themselves using both Western and Soviet designs and equipment, even though the overall level of technology used is not high and the construction techniques are unsophisticated.
- 14. The HAL aircraft company has been established since 1940 with its headquarters at Bangalore. It has produced a variety of aircraft and aero engines under licence, including several MiG types, Alouette Helicopters, BAe 748s and of course currently the Jaguar and the RR Adour engine. Their production facilities are modern and spacious but are very lightly loaded and there is a considerable gap in forecast production in the Bangalore aircraft production facility, between the end of the Jaguar line (late 1980's) and the start of LCA production (not realistically before the mid-1990s). HAL's main problem has been in the design field and no indigenously designed aircraft nor any modifications to imported designs have been successful. The Indian Press and Politicians have become very critical of the lack of return on the major investment made in design staff and facilities, and the management of HAL is clearly under considerable pressure to succeed in producing a practicable design to meet the LCA requirement. This project will undoubtedly become a major collaborative programme between HAL and a Western or Soviet aerospace organisation. Following DCA(RT)'s visit to HAL earlier this year and a follow up industrial delegation, BAe are well placed to be chosen as HAL's partner. BAe have submitted a proposal for a funded feasibility study and it is thought that the Soviet Union will make a proposal shortly.

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- 15. The one exception to India's lack of success in the aerospace designing field is the DARIN project to produce an improved Nav/Attack system for the Jaguar. This equipment is being developed collaboratively by HAL, Sagem of France, Ferranti and Smiths Industries and the programme is now well advanced. Ignoring security restrictions HAL showed HDS, the Air Adviser and myself a prototype Darin system installed in a Jaguar aircraft at the ASTE Test Establishment. It looked impressive, and this project raises interesting possibilities for the development of a two way street between UK and India. The Darin systems should not only be suitable for our own Jaguars but also for the Tornado ADV (giving it a ground attack capability attractive for 3rd country sales), and perhaps most importantly it could be installed in a single seater Hawk, turning that platform into a most effective ground attack and offensive support aircraft which should be a very attractive buy for less sophisticated foreign air forces.
- 16. The other strand to this idea lies in the Hawk aircraft itself. The Indian Navy and Air Force both need a swept wing jet trainer to prepare their pilots for Sea Harriers, Jaguars, MiG 23 series and Mirage 2000. HAL already produce the Adour engine, and production of the Hawk at Bangalore would go a long way towards solving their problem of underloading. It will not be easy to persuade the Indians to produce the Hawk since they are developing a (quite impractical) twin seat version of the Ajeet to meet their initial training requirement, and have a swept wing planned for the mid-90's. The mutual benefits of such a programme could however be considerable.
- 17. The new Chairman of HAL, Air Marshal Katre is a key figure who should be able to balance HAL's needs against the IAF's requirements. During my meeting with him his principle concern appeared to be the future loading of his factories. He is coming to the UK after the Paris Air Show and he accepted an invitation to fly in a Hawk. Katre is also involved in formulating India's AEW policy and he seems to favour fitting a sophisticated package with a 250 mile range into an HAL produced BAe 748 not presently of course feasible.
- 18. My discussions at the Avadi tank factory and the CV R&D Establishment near Madras concentrated on the prospects of the RR CV12 engine being chosen for the re-engining of the Indian Army's Vijayanta tanks and Noel Davies of Vickers accompanied the UK party during my calls. Vickers stand a good chance of winning this contract and have put a considerable effort into designing their package to fit the Indian tank. Two RR engined Vijayantas are currently undergoing hot weather trials. This contract could enable further progress to be made on the 2 way street as Vickers are interested in using Indian castings for engine production in UK (castings are currently imported from Germany).

- 19. The Commandant of the CV R&D Establishment, Brig Chawla, has been tasked with designing a totally Indian new tank to be in service by the end of the 80s. This he at least knows is beyond his capabilities and he has commenced using consultants on some work e.g. Laser Engineering of UK who are presently working on running gear designs at Avadi. He is very keen to take up an invitation to talk to Dr Ellis, Director of MVEE, for guidance in his mission and when we were in Delhi the scientific adviser, Dr Avanachalam, agreed to Chawla making the visit if he had the time. There is a major opportunity here for British suppliers but it must be handled sensitively.
- During my first day of calls in Delhi I met my opposite number, Singh Deo. He had little of interest to say except to extol the merits of Sea King and Searchwater radar to meet India's AEW requirement (obviously on the basis of Naval lobbying). I also met the Chief of Naval Staff, Admiral Dawson who showed none of his reputed pro-British leanings, and appeared almost hostile. He avoided commenting on issues of sales interest to us, repeatedly changing the subject by the introduction of subjects of his own choice particularly the poor performance of some items of British equipment. However my calls on Dr Aranachalam and Mr Sarin, Secretary of Defence Production, were constructive. Dr Aranachalam is giving AEW high priority and was pleased with his recent visit to Britain. I talked about the possibilities of future co-operation on the LCA and tank programmes and Aranachalam responded positively. He then turned the discussion towards cooperation on areas of fundamental research such as solid state electronics and software. I was non-committal on this subject but agreed on the necessity to keep the dialogue going. Mr Sarin's concerns were focussed on HAL's problems of loading. When I mentioned the Hawk he appeared interested and asked for all the information we could give him on the aircraft, but he said that the Air Force would have to be convinced of the merits of the aircraft before he could take any action.
- 21. April 26th was a most satisfactory day during which I paid calls on Air Chief Marshal Dilbagh Singh (Chief of the Air Staff), Mr P K Kaul (Defence Secretary) and Mr R Venkataraman (Minister of Defence). The latter visit was arranged on the last day and, in Indian terms, was the 'official' indication that the visit had been well received.
- 22. With Dilbagh Singh we had a lengthy discussion on the potential benefits of the Hawk to the IAF; as a trainer, as a contender for the IAF aerobatic team; and as a 'gap filler' for Hindustani Aeronautics Ltd between the Jaguar and the LCA programmes. I also stressed the export potential of the aircraft, especially if it were fitted with the 'DARIN' system. Dilbagh Singh was obviously interested. Kaul was, if anything, more forthcoming. He did not rule out the possibility of buying an established aircraft and stated that the matter should be reviewed at the end of 1983.

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ed Wing) the IAF have problems type of system but they almost it. Other possibilities existed RAF team to liaise with the vice basis the knowledge we have

23. On AEW (Fixed Wing) the IAF have problems. Their requirement is for a NIMROD type of system but they almost certainly would not be able to afford it. Other possibilities exist and I offered to send an experienced RAF team to liaise with the IAF and share on a service to service basis the knowledge we have gained. This was enthusiastically welcomed by Dilbagh Singh, Kaul and Venkataraman. It was seen as another clear example of the improving Anglo/Indian relationship.

24. Kaul sees the 'umbrella' MOU, currently in draft, as the vehicle by which technology sharing would be developed. Once agreed (which should be very shortly) he saw merit in both countries listing possible areas for future collaboration. On this subject I repeated my earlier offer for Brig Chawla to visit the UK to discuss the problems involved with developing a Main Battle Tank. Both Kaul and Venkataraman endorsed this approach.

25. Finally, being only too well aware of the current state of the negotiations on Sea King, with both Kaul and Venkataraman, I emphasised our desire to develop short, medium and long term plans for future co-operation between our two countries. However such a commitment on our part required some early 'working capital' to be provided by the GOI, a point which obviously registered.

26. On the question of future Jaguar production, Venkataraman was pressed to clarify his recent statement in the Indian Parliament that there would be no further licence production of Jaguars at Bangalore following completion of the batch of 31, a batch which in turn follows the earlier batches of 40 and 45. The Minister explained that the batch of 31 would take production through until the end of the decade and that by then the technology would be relatively outmoded. It was pointed out to the Minister that the economic benefits of a lengthening production line would be an increasingly significant factor particularly when the possibility of adapting and modernising avionics and other systems was taken into account. The Minister said that his mind was not closed to the possibility of further production beyond the 31 but that at this stage such production was not envisaged.

27. I have sent copies of this minute to the Prime Minister, the Foreign Secretary and the Secretaries of State for Industry and Trade.

28th April 1983

DEPARTMENT OF INDUSTRY

ASHDOWN HOUSE

123 VICTORIA STREET

LONDON SWIE 6RB

TELEPHONE DIRECT LINE 01-212 3301

SWITCHBOARD 01-212 7676

Private Secretary to the

Prime Minister

10 Downing Street

London SWI

Dew Tim

50TH ANNIVERSARY OF UK/INDIA TELEPHONE LINKS

Earlier today you asked me for:

- i) speaking notes for the Prime Minister's conversation with Mrs Gandhi;
- b) Press briefing material.
- I mentioned that we understand that the Foreign and Commonwealth Office are supplying briefing. I attach background information for you to pass on to your Press Office which I understand is also in direct contact with officials here.
- I am sending a copy of this letter to John Holmes (Foreign and Commonwealth Office).

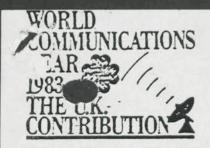
 Your set

 Lee Mills

STEPHEN NICKLEN Private Secretary

OTH ANNIVERSARY OF UK/INDIA TELEPHONE LINKS Press Briefing Material 1983 is World Communications Year (WCY) - designated by the UN General Assembly. The UK is playing an active role in the Year both at home and abroad. One of the UK's major contributions to the Year will be the sponsoring of a Commonwealth Conference (by HMG, British Telecom and Cable and Wireless plc) on the theme of "Telecommunications and Economic Development", to be held at Wilton Park in November. BACKGROUND World Communications Year The UN has designated 1983 as World Communications Year (WCY). The UN sees WCY as offering an opportunity for all countries to "undertake an in-depth review and analysis of their communication policies and stimulate the accelerated development of communication infrastructures". The Secretary of State for Industry announced on 31 January the UK response to the WCY (copy of Dept Press Release attached). The UK wishes to take the opportunity of WCY to foster increased co-operation amongst Commonwealth countries in the telecommunication sector. The Commonwealth Conference will not be inter-governmental and the invitations which have gone out to telecommunications experts throughout the Commonwealth stress that the invitations are being sent to people in their personal capacity only. Independent International Commission on World-Wide Telecommunications Development The 1982 Nairobi Plenipotentiary Conference of the International Telecommunication Union adopted a resolution establishing an Independent International Commission on World-Wide Telecommunications Development. instrumental in the adoption of this resolution. mandate of the Commission is to examine the totality of existing

and possible future relationships between countries in the field of telecommunications involving technical co-operation and a transfer of resources, in order to identify the most successful methods of such transfer. The UK has nominated Sir Donald Maitland as UK Member for the Commision. Special Voluntary Programme 4 The UK sponsored a resolution at the Nairobi Plenipotentiary Conference which established a Special Voluntary Programme aimed at helping to meet the telecommunication needs of the developing world. It is not intended that HMG will contribute financially to this fund but it is hoped that industry in the UK will. T Division Department of Industry 27 April 1983



PRESS NOTICE

Department of Industry

123 Victoria Street, London SW1E 6RB TEL: 01.212 5494/5

Ref: 21

31 January 1983

UK CONTRIBUTION TO WORLD COMMUNICATIONS YEAR ANNOUNCED BY PATRICK JENKIN

Mr Patrick Jenkin MP, Secretary of State for Industry, today announced a national programme for 1983, as the UK contribution to World Communications Year (WCY), which will direct help to developing countries and strengthen communications at home and abroad.

The programme includes:

- . Overseas promotion to demonstrate Britain's telecommunications expertise
- . Training for overseas telecommunications staff
- . An offer of rural telephone exchanges to a Commonwealth developing country
- . A Commonwealth telecommunications seminar
- . A voluntary development fund for the developing world.

At home, WCY will build on the success of Information Technology Year 1982, with:

- . Competitions, exhibitions and overseas visits for young people
- . A Science Museum exhibition
- . Communications centres
- . A major end-of-year conference.

This year was declared World Communications Year by the United Nations and is seen by them as providing an opportunity for all countries to analyse their own communication policies and to develop their internal communications. The activity, under the direction of the International Telecommunication Union (ITU) will pay particular attention to the needs of the developing countries. The Year will enable the UK to build upon its international initiatives, emphasise the importance attached to telecommunications in the developing world and demonstrate its strength in telecommunications services and equipment.

The Government has set up a national committee to carry out the UK programme. Members include Mr Kenneth Baker MP, Minister for Information Technology;

Sir George Jefferson, Chairman of British Telecom; Mr Eric Sharp, Chairman Cable and Arreless plc; Mr Des Pitcher, President of the Telecommunications Equipment Manufacturers Association and Mr Stephen Finch, President of the Telecommunications Managers Association. A Working Group with representatives of interested Government Departments, the operators, manufacturers and users will work closely with the Committee on detailed proposals and with the ITU.

Notes to Editors

Further detail of the UK's WCY programme is attached.

Non-press calls to 01-212 8792.

WORLD COMMUNICATIONS YEAR - THE UK CONTRIBUTION

Britain's activities for World Communications Year will be on two fronts. First, help will be directed to the outside world. Mr Jenkin made it clear when he spoke to the Plenipotentiary Conference of the ITy in Nairobi last Autumn, that Britain fully recognises the developing world's need for better communications.

Britain has a tremendous amount to offer the rest of the world in technology, training, expertise and products. It is in the vanguard of the telecommunications revolution. For example, British Telecom's digitalisation programme or the operation by BT of the longest optical fibre trunk circuit in the world. British Embassies and High Commissions abroad will therefore be asked to arrange special functions— film shows and exhibitions— to show key decision makers what Britain has to offer.

To provide more training for people from overseas, the amount of money available for bringing overseas telecommunications staff to the UK for training under the ITU Fellowship Scheme will be increased five-fold. British Telecom, Cable and Wireless and major UK companies already provide very considerable training facilities for overseas staff and the Department of Industry is considering with them how this valuable contribution can be increased.

In addition, DOI is in touch with an African Commonwealth telecommunications authority about the possible provision of three GEC UXD5B digital telephone exchanges and digital micro-wave transmission equipment. The aim is to demonstrate the relevance of the new technology to the needs of the developing world. The equipment will provide more efficient service and easier maintenance. The offer will include the necessary training and expert advice.

Of course, Britain already supports communications projects in a number of countries from Aid funds, including Bangladesh, Colombia, India, Lesotho, Malaysia, Mauritius and Nepal and there may be other projects which could be supported as a further contribution to the Year.

This year will also see the signing of a new financial agreement whereby the external operators in Britain, Australia and Canada will provide financial and other support to the international telecommunications entities of Commonwealth developing countries. This should give new impetus to Commonwealth collaboration.

A Commonwealth telecommunications seminar towards the end of the year, bringing towards key decision makers, is also under consideration.

To bridge the home and overseas parts of the programme, Britain is exploring the feasibility of establishing a voluntary development fund so that both industry and the ordinary people of this country can contribute towards meeting some of the communication needs of the developing world in line with the objectives of the ITU special voluntary programme, which was established, through a UK initiative, at the Nairobi Conference. The aim will be to transfer resources on a people-to-people basis, quite independent of Government - a special Oxfam to cater for the critical communication needs of the most deprived in the world.

This covers proposals for World Communications Year outside Britain. But at the same time, the Government wants to use the Year to increase awareness of communications within the UK, building on the Information Technology Year awareness campaign.

Young people will be made aware of what changing communications can offer them, in everyday life and in choosing a career, and competitions, exhibitions and overseas visits are planned.

STC, a major telecommunications manufacturer, has arranged for a permanent telecommunications exhibition at the Science Museum, and it is hoped local museums will consider what they can do.

Impact of WCY will go well beyond the young, reaching management and the trade unions. The awareness campaign will include establishing communications centres where British equipment can be seen by the general public. For example, British Rail have indicated a willingness to consider establishing such centres at major rail termini and the British Airports Authority may follow this example.

Overseas visits will play a useful role. For example, the Japanese companies Fujitsu and Mitsibushi, Siemens of Germany and Motorola of the USA have offered to arrange visits for young people and trade union members from the UK. The UK Council for Computing Development are organising a conference in October, to be hosted by the GLC, on the development of communications in large urban complexes.

International telecommunications are essential to the development of world trade. The Department of Industry is therefore proposing to hold a major conference in

London towards the end of this year - together with the British Computer Society and the Department of Trade - on the theme that world communications are the trade routes of the future.

The Government is looking to all organisations - schools, colleges and local authorities - to make their own contribution to World Communications Year and Telecommunications Division of the Department of Industry would be very interested to hear of any initiatives, on 01-212 8792.

Department of Industry

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Features Bureau Public Relations Department 85 Watling Street London EC4M 9BN Telephone: 01-357 3090 Telex: 261127 Fax (Group 2): 01-236 5784

Written for: COI

Subject: UK-India telephone links

Title: FIFTY YEARS OF CO-OPERATION

Length: 550 words

Author: David Orr

Telephone: 01-357 2130

India 1

The public telephone service between India and the United Kingdom celebrates its fiftieth anniversary on May 1 this year. Although the history of international telecommunications links between the two countries stretches back into the last century - the London to Bombay telegraph service was inaugurated in 1870 - the establishing of a long-distance HF radiotelephone service in 1933 was an important milestone.

Telephone systems in both countries have changed and developed enormously during those fifty years. The international links, too, have been refined out of all recognition through close cooperation and mutual investment.

When the telephone service was first introduced in 1933 it was available only between 9.00 am and 1.00 pm British time. It was also expensive, with a three-minute call from the UK costing £6.00 - a considerable sum of money in those days. Today the cost of a three-minute direct dialled call is just £2.58 at off peak times.

Post-war development in India saw the initial Bombay centre augmented by three others at New Delhi, Calcutta and Madras. Gradually the HF radio services were expanded to provide telegraph newscasts, telex and a radiophoto service.

In the 1950s and 1960s the inadequacy of HF radio point-to-point service in terms of quantity, quality and round-the-clock operation was being acutely felt throughout the world. Through contact with the United Kingdom authorities India followed the development of satellite communications with keen interest, deputing engineers for participation in the early Telstar experiments.

Subsequently, the first Indian earth station at Arvi, north of Pune, came into commercial operation in February 1971, linking with British Telecom's existing earth station at Goonhilly Downs, Cornwall, which had opened some ten years previously. This was followed by a second earth station at Dehara Dun, with terminal facilities at New Delhi.

When the first earth station was commissioned, manual telephone and telex facilities only could be provided. However, by the end of 1972 a semi-automatic telex exchange was commissioned, followed a year later by a semi-automatic telephone exchange of the crossbar type.

With better means of communication, traffic between the two countries increased considerably. The initial capacity of the gateway exchanges at Bombay was soon exhausted, and customers' requirements continued to be supported by manual systems.

Further development of the semi-automatic systems enabled international direct dialling facilities to be set up between Bombay and New Delhi and the whole of the United Kingdom. The service was introduced on a round-the-clock basis in 1976.

During that year about 170,000 calls were made through the international links; in 1981-82 that figure had risen to more than 780,000 and current use is running at more than 100,000 calls a month.

On December 16 last year, direct dialling between the two countries was extended to a further 30 cities in India - expanding coverage to an estimated 90% of that country's business population (44% of all telephone subscribers).

The historical links between the two countries are strong, and in recent years they have been fostered by joint involvement in the various international satellite organisations. It was the Indian representative who chaired the committee which drafted the initial INMARSAT agreement; British Telecom is now the largest Western European shareholder in INMARSAT, which is responsible for world-wide maritime satellites and their control systems.

With falling costs, wider and more versatile services, use of telecommunications links between India and Britain is quite likely to grow as much in the next five years as it has done in the last half century.

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FT638(3/83)

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PRESS RELEASE BEGINS Z

THANK YOU, MASTER CUTLER, FOR YOUR INTERESTING SPEECH.

YOU HAVE SPOKEN DIRECTLY, AS YORKSHIREMEN ARE WONT TO DO.

I PREFER IT THAT WAY.

I WILL TRY TO REPLY TO SOME OF THE POINTS YOU HAVE MADE SO COGENTLY.

BUT FIRST I WOULD LIKE TO LOOK AT THE WIDER CONTEXT - OUR PERFORMANCE AS A TRADING NATION.

OUR PERFORMANCE AS A TRADING NATION

LAST YEAR WE IN BRITAIN EXPORTED THIRTY PER CENT OF OUR TOTAL OUTPUT.

A COUNTRY WHICH CAN DO THAT IS NOT INEFFICIENT:

IT IS ENTERPRISING AND IT IS SUCCESSFUL.

/THE UNITED STATES

D cardina Conted 22/4/83 To have informed me that Mr Birla will no longer be visiting London in May (see FCO letter 11/4) It has been proposed that this visit will now take place in July, FCO will provide further détails in due course. the way Spec raiso 22.4.83

SUBJECT



10 DOWNING STREET

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THE PRIME MINISTER

14 April 1983

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. 747 9/83

Than Prime Diwita.

Thank you very much for your letter of 22 March about the Commonwealth Heads of Government Meeting.

I of course agree with what you say about the character of the Commonwealth. There are inevitably issues on which different members of the Commonwealth have different points of view, and it would be wrong to pretend at our meetings that such differences do not exist. But I am confident that, under your chairmanship in November, the Commonwealth will maintain its tradition of frank and informal discussion in a way which will both encourage a common approach to such problems and strengthen, not weaken, the links that bind us together.

I am greatly looking forward to seeing you and other colleagues at the Heads of Government Meeting.

I have seen several people who alterded the Non-alfred sumind. All have been very warm in their procise for your charinesship. With every food vish.

Her Excellency Shrimati Indira Gandhi

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Subject of

14 April 1983

Non-Aligned Summit and GHOGM: Letter from Mrs Gandhi

I enclose a reply, signed by the Prime Minister, to Mrs Gandhi's letter of 22 March (your letter of 12 April refers). I should be grateful if you would arrange for its delivery.

A8C

John Holmes, Esq., Foreign and Commonwealth Office.

India



JU447 Secretary of State for Industry

DEPARTMENT OF INDUSTRY ASHDOWN HOUSE 123 VICTORIA STREET LONDON SW1E 6RB

Telephone Direct Line 01-212 3301 Switchboard 01-212 7676

14 April 1983

Tim Flesher Esq Private Secretary to the Prime Minister 10 Downing Street London SW1

Dows Tim

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50th ANNIVERSARY OF UK/INDIA TELEPHONE LINKS

In your letter of 21 March 1983, you said that the Prime Minister agreed to my Secretary of State's proposal that the 50th Anniversary of UK/India telephone links should be marked by a telephone link up between the Prime Minister and Mrs Gandhi. The Prime Minister further agreed that this call should take place on April 11 to coincide with the visit to India of Mr Kenneth Baker and Sir George Jefferson. As you know, Mr Baker's visit to India was cancelled, and a telephone link up on April 11 would therefore have had little meaning. Furthermore the High Commission advised that it would be preferable for the call to be made at a date closer to the Anniversary on May 1. It was likely to generate more publicity if it stood by itself apart from the Ministerial visit. There was also some risk that if we asked for it to coincide with Mr Baker's visit it would be seen as a sales gimmick.

2 In view of these factors, I should be grateful if you would consider the possibilities of a call closer to the actual Anniversary. The High Commission have also advised that it would be preferable if we could give a choice of one or two dates to Mrs Gandhi's office. I understand that dates just prior to May 1 are unlikely to be possible. I therefore suggest May 3 or May 4. British Telecom International, who will be arranging the call by international direct dialling, have said that they will be able to make the necessary technical arrangements for the call to be taken wherever the Prime Minister happens to be located at the agreed time.

STEPHEN NICKLEN Private Secretary

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PRIME MINISTER

Mrs. Gandhi

The above has sent you a curious letter which is, in essence, a complaint about a speech made by the Deputy Prime Minister of Singapore at the recent Non-Aligned Summit and a pamphlet circulated there by his Government.

The speech is in fact an admirable attack on the Non-Aligned Movement in its present form. It is the pamphlet - and particularly the comments on India's foreign policy on pages 25-28 - which caused offence.

We have drafted a bland reply to Mrs. Gandhi which avoids disowning the Singaporians. You may care to sign this.

A.J.C.

FILE SW 10 DOWNING STREET 13 Aprîl, 1983 From the Private Secretary Mr. G. D. Birla Thank you for your letter of 11 April. The Prime Minister would like to see Mr. Birla and we have set aside a period of 30 minutes from 10.30 on Friday, 6 May. R. B. Bone, Esq., Foreign and Commonwealth Office



10 DOWNING STREET

Carolina

See P. N.'s minute.

Arotta time?

A.J. C. 4

10.30 -11.00.

on Friday 6- Day.

CS. 13/4

Foreign and Commonwealth Office London SW1A 2AH 12 April 1983 Please type letter.
A. J. C. 14. Dea John, Mrs Gandhi I enclose a letter to the Prime Minister from Mrs Gandhi and a draft reply from the Prime Minister. Mrs Gandhi's letter is unusual, in its attempt to draw a parallel between the Non-Aligned Movement Summit and the Commonwealth Heads of Government Meeting and in its exasperation with another participating country. It is, of course, not for us to comment on what is in effect a clash between members of the Non-Aligned Movement (NAM). We would agree with many of the general points made by the Singaporeans, and should not disown them; on the other hand, their specific attack on Indian foreign policy was discourteous and there is no reason why we should risk offending Mrs Gandhi. The draft reply for the Prime Minister's consideration is therefore a bland acknowledgement of Mrs Gandhi's hopes for the success of the CHOGM. I also attach a short note commenting briefly on the outcome of the NAM Summit and giving more details of the Singaporean approach. (J E Holmes) Private Secretary A J Coles Esq 10 Downing Street

DSR_11 (Revised) DRAFT: minute/letter/teleletter/despatch/note TYPE: Draft/Final 1+ FROM: Reference Prime Minister TEL. NO: DEPARTMENT: TO: Your Reference SECURITY CLASSIFICATION Top Secret Shrimati Indira Gandhi Secret Prime Minister of India Copies to: Confidential Restricted Unclassified PRIVACY MARKING SUBJECT:In Confidence Thank you very much for your letter of 22 March about the Commonwealth Heads of Government Meeting. CAVEAT..... I do of course agree with what you say about the character of the Commonwealth. / There are inevitably issues on which different members of the Commonwealth have different points of view, and it would be wrong to pretend at our meetings that such differences do

that bind us together.

Enclosures—flag(s).....

I am greatly looking forward to seeing you and other colleagues at the Heads of Government Meeting.

not exist. But I am confident that, under your

chairmanship in November, the Commonwealth will maintain

its tradition of frank and informal discussion in a

way which will both encourage a common approach to

such problems and strengthen, not weaken, the links

BOR - 4



NOTE ON THE NAM SUMMIT

- 1. As far as we were concerned, the Summit was disappointing. The moderates in the Movement yet again acquiesced in extremist language. The Indians seem to have been unwilling or unable to take a firm lead against the well-organised radicals. The passages in the Final Declaration on the Falklands and Diego Garcia, on which we lobbied friendly governments in advance, are quite unacceptable. We are making this clear to the Indians and to Member governments of the NAM. In general the language of the Final Declaration, in both the political and the economic passages, is unbalanced and shows no acknowledgement of the fact that the real interest of NAM members, as many of them admit in bilateral discussions, lies in better relations with the West.
- 2. Nevertheless, the Indians seem generally content with the outcome of the Summit. The administrative arrangements they made were acknowledged to be impeccable. There were no major crises. Disagreements about the seating of the Cambodian delegation aroused some controversy but this was confined to the meeting of Foreign Ministers. The Indian draft Final Declaration was subjected to radical revision at some points but the Indians will take satisfaction from the emphasis it retains on themes to which they attached particular importance: disarmament, the Indian Ocean peace zone, and economic issues. Mrs Gandhi's only real cause for disappointment was her lack of success in establishing mediation machinery that might help to resolve the running conflict between two NAM members, Iran and Iraq.
- The Singaporean government evidently approached the Summit with some scepticism, and Mr Lee Kuan Yew did not pay Mrs Gandhi the compliment of attending. (Mr Mahathir did.) The Summit marked the end of a threeyear period during which the Movement had seen repeated Cuban attempts to push it towards a closer alliance with the policies of the Soviet Union, its "natural allies" in the view of the Cubans and other Marxist states. Much interest was expressed in the extent to which the Indians would choose to lead the Movement in a new direction. The intention of the Singaporeans was to make this issue explicit and in effect to challenge the Indians and other moderates to seize the opportunity now thought to be available. Copies of the pamphlet they circulated and of Mr Rajaratnam's speech (referred to in Mrs Gandhi's letter) are enclosed. The pamphlet is largely a frontal



attack on Cuba's perversion of the Movement, and particularly on their handling of the Havana Summit, when the Democratic Kampuchean delegation was excluded. It also attacks the reaction of the Movement to the Soviet invasion of Afghanistan and the Vietnamese invasion of Cambodia. What may, however, in particular have irked Mrs Gandhi are the terms in which the pamphlet discusses India's foreign policy and attitude to the Movement, and questions whether India can be relied upon to exercise the right moral choice in the trade-off between diplomatic expediency and principle. It also refers condescendingly to India's "modest but creditable attempt" to resist the Cuban approach. Mr Rajaratnam's speech was equally direct in tone.

4. Whilst Singaporean views were, we think, privately endorsed by many other delegations, the tone in which these views were couched, and the manner in which the Singaporean initiative was launched, embarrassed the meeting. Regrettably, therefore, the Singaporeans found that in the event they had little explicit support from other delegations.

SPEECH BY MR. S. RAJARATNAM, SECOND DEPUTY PRIME MINISTER (FOREIGN AFFAIRS), REPUBLIC OF SINGAPORE AT THE 7TH NON-ALIGNED MINISTERIAL MEETING IN NEW DELHI ON MARCH, 1983.

rather disconcerting way of dealing with bearers of unpleasant tidings. The emisssary, so we are told, was given a respectful and even attentive hearing after which he was ceremoniously escorted out of the audience chamber by armed guards and then summarily and expeditiously executed. The thinking behind this somewhat unusual conduct was that while stout hearted rulers could be relied upon to maintain their composure and wits in the face of provocatively unpleasant truths these could prove fatal to their less robustly constituted subjects. Hence the necessity of promptly eradicating the danger at source and thus ensuring that their people were kept in that state of eternal bliss that only creative ignorance could provide.

Madam Chairman, I thought it prudent to mention this possibly apocryphal Mongol folklore before I respond to your invitation that we should discuss freely and frankly the past performance and future prospects of the Non-Aligned Movement.

I think it would be best to state my conclusions first and then get on with my address for the benefit of those interested in the thought processes that led to my possibly disputable conclusions.

I shall state my assessment of the Non-Aligned Movement in three short sentences. Its past is one of which we can be justly proud. Its present condition however does it no credit. And finally if it persists in its present course, its future will be one of shameful oblivion.

These are my conclusions honestly and regretfully arrived at. I could have, as we have been inclined to in the past, indulged in the self-congratulatory pieties that our protocol demands but I think these pieties even if brought up to date no longer fool us and most certainly not our people or outsiders who quite frankly have given up trying to reconcile our admirable ideals with our less admirable conduct.

The peoples of the world will view this Summit as merely a foregathering of leaders whose pronouncements and rhetoric will not put one extra grain of rice into their near empty bowls or a roof over their heads or provide jobs to prop up their fading sense of dignity as human beings.

Many of our peoples live off soup kitchens provided largely by some wealthy countries who, some members insist, should be castigated for showing up the parsimoniousness of equally well-to-do but extremely talkative countries.

And most important of all this Summit, many people believe, will bring no relief to hundreds of thousands of human beings caught in the tragedies and horrors of fratricidal wars largely fought between non-aligned members.

Nor are the great powers, who once took the Non-Aligned Movement seriously enough to denounce non-alignment as impractical and immoral, today concerned with what we say or do. They find our growing impotency and disarray reassuring and if they are at all interested in us, it is how to exploit our disarray to advantage. At least one of the superpowers is interested in the movement because of its possible usefulness as a battering ram with which to beat down its rivals. I shall elaborate on this aspect in a little while.

Before I go on to expound in some detail the sorry plight in which the Movement now finds itself, let me also assert that if we as members can summon the necessary will, courage and wisdom the Movement can recover the vigour and sense of purpose it manifested in the early days. None of the dismal prospects I shall outline need happen, if we who really believe in non-alignment can summon the necessary sense of resoluteness and of realism.

To be able to do this we must cease pretending that the Movement is brimming over with vitality and purposefulness and face up boldly to certain developments which presage disaster but from which we avert our gaze lest we give offence to others. Once a movement fuels itself with self-delusions it is, Madam Chairman, a terminal case.

The sickness that afflicts the movement has economic and political roots. Both are equally important since they are really two sides of the single coin we call "crisis". For a complete understanding of the crisis both its economic and political aspects should be fully explored.

However having regard to time constraints I shall concentrate only on the political aspects which if not dealt with promptly and boldly could either destroy the movement or, what is more probable, lead to its enslavement by one or the other of the great powers who may find other less honourable uses for it.

With your permission, Madam Chairman, I should like to deal with the threat of the possible enslavement of the movement by one of the superpowers. This threat is neither fanciful nor exaggerated. The destruction or the enslavement of the Non-Aligned Movement had always been the objective of both the superpowers.

It is a fact that when the idea of a Non-Aligned Group was first announced in Bandung in 1955 and then officially launched in Belgrade in 1961 both superpowers angrily denounced the doctrine of non-alignment as impractical and immoral. The real reason why the two superpowers were hostile to the concept was that the creation of a third group of neutral developing nations not

only put severe restraints on great power rivalries but made these rivalries extremely dangerous for them. The two superpowers had always been aware that an armed conflict between nuclear powers was unthinkable because it meant mutual annihilation. Military technology had deprived war of its traditional and only justifiable goal - the winning of wars. In a nuclear war nobody wins. So the great powers had to develop a new technique of waging and winning wars without the risk of mutual destruction. An obvious way in which great power rivalries could be pursued without unacceptable risks was for both superpowers to elaborate and refine to near perfection the ancient technique of proxy wars.

I shall have more to say on proxy wars in a little while because an understanding of them is crucial to the future of our Movement.

The reason why the two superpowers denounced and tried to destroy the Non-Aligned Movement was that it drastically reduced the available pool of potential proxies. The fewer the number of proxies through whom to wage great power conflicts, the greater the probabilities of direct conflict between superpowers.

But as the membership of the Non-Aligned Movement gradually expanded from about 25 at Belgrade to its present membership of over 100 the objective of destroying the movement became an increasingly unattainable goal — and it occurred to them a wasteful one as well. Why not, instead, capture it from within and in one fell swoop the victor

would have coralled some 100 or more potential proxies. I believe that sometime in the seventies the great powers ceased denouncing the movement as immoral and instead showered it with guarded praise simply because the objective was to capture it alive from within.

To cut a long story short the United States lost the take over bid primarily because, I suspect, the Americans are not unlike their more experienced and dedicated Soviet rivals particularly good at political conspiracy. This may be because unlike Soviet conspirators, American conspirators tend to talk too much. In totalitarian systems, we are told, even citizens who do not normally conspire tend to be secretive and uncommunicative while in Western democracies even conspiracy has to be open. So in the seventies the Soviets were particularly careful to make the necessary genuflections before the Non-Aligned altar. In fact Soviet professions of esteem and even awe before the Non-Aligned Movement assumed embarrassing dimensions. If there was censure it was more in the spirit of a fond husband rebuking his spouse for casting covetous glances in the direction of obscenely affluent capitalist-imperialist rivals.

But the high regard the Soviets outwardly manifested for the movement was in fact akin to the gesture of an atheistic politician in a Catholic country taking care to ostentatiously and noisily kiss the Pope's ring.

The fulsome praise and regard the Soviets have shown does not stem from a genuine respect for and belief in non-alignment but springs from an understandable concern to preserve the good name of an establishment they intended to take over.

What authority have I for asserting that the Soviets do not in fact believe in non-alignment and that they contemplate, if they can, its hi-jacking.

My authorities are impeccable. They are <u>Pravda</u> and the Soviet journal <u>New Times</u>.

Let me quote an extract from a <u>Pravda</u> editorial of Feb 8, 1981. The <u>Pravda</u> is not a frivolous or a privately owned paper reflecting the idiosyncratic views of it irrelevant proprietors. It is an establishment paper reflecting the considered views and aims of a powerful soviet ruling class.

This is what it says:

"Sanctimonious ideas have been imposed on the non-aligned countries such as that the non-aligned movement should keep an equal distance from the two opposing social systems -imperialism and socialism - and that instead of opposing imperialism and colonialism, resistance to the policy of alignment should be given top consideration." In other words, Madam Chairman, we are witnesses to our own slow motion hijacking and if we do not wake up to this fact and do something to abort it then the ship of non-alignment and all those who sail in it may wake up one day to find that they have docked in a Soviet port.

In picking on the Soviet Union, I am not exonerating the other superpower from entertaining equally hostile attitudes and ambitions towards the movement. But as of now I see no evidence of a United States bid to hijack the Movement. As far as I know nobody has been bold enough or mad enough to float the counter idea of the United States as the "natural ally" of the Non-Aligned Movement.

How, it may be asked, can a minority take over a movement of 101 members, the vast majority of whom are against the movement aligning itself with any great power? History has shown repeatedly that a determined minority can take over the reins from an acquiescent majority. I am not saying it will happen. All I am saying is that it could happen.

In two instances in recent times this minority has thwarted the wishes of the majority in the Movement.

The first instance relates to the Soviet invasion of Afghanistan. The Non-Alignment Movement has so far been more evasive than even the United Nations in its judgement of the armed intervention by a super-power in the affairs of a member of this Movement. It is a tribute to the incredible horse-power the small motor implanted within the Non-Aligned Movement could generate. So the New Times was not indulging in idle boasting when it claimed that a minority was the "true motor" of our Movement.

Kampuchea. I do not propose to deal at length with the problem of Kampuchea except to point out that what some members insist on treating as the so-called Havana decision, if left unreversed, could pave the way for a smooth and trouble free hijacking of the movement by a minority on behalf of its benefactor.

The technique employed in Havana was incredibly smooth, swift and simple. One member, in this instance the outraged aggressor, raised objection to the presence at the Sixth Summit of its victim, Democratic Kampuchea, which before the invasion had not only attended all non-aligned meetings but its leader, the unloveable Pol Pot, had been the recipient of many valedictory fraternal greetings from the aggressor.

The aggressor, incidentally, is a believer in the doctrine that the Soviet Union is the "natural ally" of non-alignment.

The victim unfortunately was of a contrary persuasion.

In the face of this predictable objection the host government, without seeking a consensus from members, obliged by declaring the seat vacant.

The host government, coincidentally, also subscribes to the thesis that the Soviet Union is the "natural ally" of non-alignment.

The evicted member was not called upon to show cause why he should not be flung out presumably because the chairman decided that an objection in itself was sufficient proof of the unworthiness of the objectee to be a member.

So with one swift blow a victim who did not have the foresight to belong to what the New Times described as the progressive camp was conveniently disposed of.

There is no hope on earth of Democratic Kampuchea ever regaining its seat simply because according to the previous chairman though a consensus is not required for unseating it is indispensable for reseating of a member.

So if the Havana decision is given the status of a precedent then a determined minority with the aid of co-operative hosts could purge the Movement of troublesome unbelievers and, as New Times and Pravda demand, steer the Non-Aligned Movement in an aligned direction. There would be no need to purge the Movement of all believers in non-alignment. Enough of them should remain to give the captured movement respectability, provided they remain anacquiescent majority.

Once the Non-Aligned Movement has been captured new vistas open for proliferation of proxy wars fought to the last Third World soldier.

Admittedly proxy wars are rarely engineered by great powers. They merely convert wars which rise spontaneously and independently into proxy wars. Today any and all conflicts between small nations can be and will be converted

Pro

into proxy wars. It is my belief that the Third World War will not be a cataclysmic, single encounter between the great powers. The probabilities of that happening are very small because the great nuclear powers know that such a clash would entail mutual annihilation.

Third World War will in fact be a protracted series of proxy wars fought by small nations with arms sold or supplied as gifts on behalf of great powers.

If this is correct then the Third World War has already begun. It began long ago. It has been estimated that since 1945 some 135 wars of varying intensity and duration have been fought. They involved more than 85 countries and are responsible for casualties that far exceed those of World War II. All these wars without exception have been fought outside the Western world and outside the major industrial countries. In fact the European nations have for the first time in their violent history seen nearly four decades pass without one European war.

With the exception of the wars in Korea, Vietnam and now in Afghanistan all the wars since 1945 have been between Third World countries. The wounded, the dead, the sick and the refugees are all from the Third World. As of now there are some 29 recent and on going disputes ranging from confrontations which could degenerate into wars to armed conflicts between third world countries. The percentage increase in arms expenditure is rising faster in Third World countries than in developed countries.

All these wars are fought with weapons bought largely from half a dozen or so industrial nations which manufacture these sophisticated weapons. Most of the arms sold are weapons which had become obsolete and which in a more peaceful world the major powers would have thrown into the sea or allowed to rust away in military dumps.

Let us frankly face up to the fact that most Third World countries live not in fear, as current mythology has it, of a return of Western imperialism but in fear of Third World neighbours, near and far away, with military amibitions. Rectification of real and imagined frontiers, the resurrection of vanished empires whether actual or invented, the righting of ancient wrongs and the avenging of still more ancient defeats, the lust for loot and domination over weaker peoples or simply the need to distract the populace from growing domestic discontents are among the many and varied causes which fuel Third World Wars and which provide opportunities for great powers to launch proxy wars.

Though the Third World is by and large poor it spent US\$80 billion on arms in 1981. Some of it was for normal defence purposes but steep increase in arms expenditure was largely prompted by fear of Third World aggressions launched either on their own behalf or on behalf of their financiers.

So if the Non-Aligned Movement is to maintain its integrity and fulfil the great role the founding fathers assigned to it then one of our major responsibilities is to consider ways and means of preventing proliferation of armed conflicts in the Third World. Prevention of such wars is clearly not an easy task but the alternative is our eventual enslavement as proxies for great powers. Once you become a proxy you become a willing or unwilling mercenary. You fight your wars on borrowed strength. Without a steady flow of extremely sophisticated and increasingly expensive weapons from great powers the proxy is bereft of strength to carry on his war. The great power can regulate the course of war; increase or decrease its intensity and prolong or terminate it at will by controlling the flow of arms.

The converse is also true. Without Third World conflicts, there can be no proxies for great powers to recruit and manipulate.

But clearly every Third World country must be assured of security. I have no easy answer as to how this can be achieved cheaply and without our being trapped into becoming great power proxies.

One possibly controversial solution is for those Third World countries genuinely concerned only with their defence to call upon great powers to collectively guarantee their security and territorial integrity. This is not as far fetched as it may seem because both the United States as well as the Soviet Union had at various times proposed such collective security arrangements but unfortunately always in the context of great power rivalry. There has even been bilateral defence arrangements such as that between the United States and Japan and Treaties of Friendship and Co-operation between the Soviet Union and individual countries, both Communist and non-Communist. I see many practical and political difficulties but it is a solution worth exploring.

The alternative is to attempt military self-sufficiency which for poor Third World countries is in practice unattainable and the attempt to achieve it must mean economic ruin and the start of a disastrous arms race in the Third World. Military technology is changing so fast and becoming so expensive and sophisticated that keeping up-to-date by ceaseless purchase of even obsolete second and third generation weapons must mean economic ruin for the overwhelming majority of Third World countries.

The question of peace in the Third World is

primarily a matter for Third World countries to resolve. But

not wholly. We need the co-operation and support of the

great powers who can by virtue of their wealth, power and

monopoly of military technology magnify Third World

conflicts into ruinous proxy wars or abort them into brief

relatively harmless encounters.

I would suggest the following guidelines for our Movement:

- (a) In any aggression the aggressor must be presumed to be guilty unless he can prove beyond all reasonable doubt that he had justification for his warlike act. This is not always the case in our Movement.
- (b) In the case of such an aggregation our verdict on it must not be coloured by some gratifying back-door deal made with the aggressor or his wealthy patron or both.
- (c) We should start off with the proposition that the legal frontiers of any country are those that obtained when the member was admitted into the United Nations and that any attempt to rectify them by force of arms merits automatic censure.
- (d) No member of this organisation is justified committing aggression just because it feels an irresistible impulse to liberate other people from real or imaginary oppression barbarities or from presumed neocolonialism.

 These are matters best left to the people of that country.

(e) The clean repudiation by this Movement that any superpower is the natural ally of non-alignment.

The guidelines could be lengthened but if our movement could adhere strictly to these four then a start towards peace would have been made.

The proposals I have put forward, I will concede, are possibly impractical and naive. But the day one of us becomes the victim of aggression on that day the practicality and relevance of these guidelines would become self evidence truths - but a revelation too late if not enshrined as fundamental laws of our Movement.

Foreign and Commonwealth Office

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A marginal case.

Foreign and Commonwealth

Do you want to see Nr. Birla London SWIA 2AH

by 30 minutes at 10.30 on Ronlay, 25 April ?

11 April, 1983

The sheld (

Mr G D Birla

Mr G D Birla, the distinguished Indian industrialist, will shortly be paying one of his periodic visits to Europe. A member of his staff has asked Sir Robert Wade-Gery whether Mr Birla might call on the Prime Minister at any convenient time during the periods 24-30 April and 4-10 May.

The Prime Minister met Mr Birla when she visited Bombay in April 1981. On that occasion he presided over the ceremony at which Mrs Thatcher laid the foundation stone for the new Institute of Management Studies at the Bharatiya Vidya Bhavan. He is 89, but though frail he remains alert and influential and very much the Grand Old Man on the Indian scene. He was a close friend of Gandhi and financed him over a long period. His industrial empire is the most important in India. A personality note is enclosed.

We would not wish to press Mr Birla's case too strongly, but if the Prime Minister can spare the time we think she would find him interesting and impressive. He does not waste words and would not stay long. An invitation to call would give Mr Birla great pleasure and would also be seen as a compliment to India. Given his unique stature in India, we do not think this would set a precedent which other Indian industrialists would seek to follow.

(R B Bone) Private Secretary

A J Coles Private Secretary 10 Downing Street

CONFIDENTIAL

BIRLA, GHANASHYAM DAS

Industrialist.

Born 12 April 1894, at Pilani, Rajasthan. Founder of the Birla group of industries, the largest private industrial group in India comprising of 69 companies valued at Rs 11,711 million. Birlas produce goods and services valued at nearly £2 million per day and employ about 500,000 persons. Increasing involvement in projects overseas.

Formal education ended at the age of 11. After an early concentration on textiles and jute the Birlas came to be established as a family of industrialists after World War II. Their interests now also cover banking, coal mining, machinery manufacture, railway wagons, aluminium, synthetic fibres, chemicals, paper, motor cars, bicycles, sugar, tea, coffee, air conditioners, typewriters, newspapers etc.

A widower, G D Birla has two sons, K K Birla and B K Birla. His favourite is his grandson Aditya Birla, widely tipped for overall leadership of the group in the future. Frugal and puritanical by nature he is deeply religious. Particular about punctuality, he is fond of reading, painting, cooking, singing devotional songs and travel. He was a close associate of Mahatma Gandhi of whom he often speaks. Likes to travel in his Dakota DC-3. Quick perception, clear thinking and capacity for taking calculated risks. He and his family have a reputation for shrewd business deals which need to be examined with care by those negotiating with them. Founder of numerous education and public foundations.

Highly influential and powerful — his arm reaches far and wide. Influences politicians from top downwards who depend on him for funds.

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TO IMMEDIATE NEW DELHI

TELEGRAM NUMBER 145 OF 25 MARCH

UN AWARD TO MRS GANDHI: YOUR TEL 232

1. PLEASE CONVEY THE FOLLOWING MESSAGE FROM THE PRIME MINISTER TO MRS GANDHI.

BEGINS: I WAS VERY PLEASED TO LEARN OF YOUR UNITED NATIONS POPULATION AWARD AND I SEND YOU MY WARM CONGRATULATIONS. SUCH RECOGNITION OF YOUR ENDEAVOURS IN THIS VITAL FIELD MUST GIVE YOU GREAT SATISFACTION. ENDS

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PS/NR HURD

MR GIFFARD

MR DONALD

MR ADAMS

10 DOWNING STREET From the Private Secretary 23 March 1983 INDIA: UN POPULATION AWARD TO MRS. GANDHI Thank you for your letter of 22 March. The Prime Minister agrees that the private message which you propose she should send to Mrs. Gandhi may be despatched as drafted. A.J. COLES J.E. Holmes, Esq., Foreign and Commonwealth Office.

Premie Minester RESTRICTED Agne to send message as proposed? Foreign and Commonwealth Office London SW1A 2AH 22 March 1983 Deer John. India: UN Population Award to Mrs Gandhi I attach a self-explanatory telegram from our High Commissioner in New Delhi suggesting that the Prime Minister send a private congratulatory message to Mrs Gandhi on her receipt of the UN Population Award. We consider that there would be political advantage in our relations with India in such a message, and if the Prime Minister agrees, we will arrange for the text proposed by the High Commissioner to be delivered to Mrs Gandhi on behalf of the Prime Minister. Mrs Gandhi's population control methods were of course controversial and an element in her declaration of a State of Emergency and subsequent electoral defeat at the hands of Mr Desai. But it is the UN which has made the award and any danger of damaging publicity is minimized by making it a private message, as Sir R Wade-Gery has suggested. Your ever (J E Holmes) Private Secretary A J Coles Esq

10 Downing Street



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TO IMMEDIATE FCO

TELEGRAM NUMBER 232 OF 21 MARCH
INFO SAVING UKMIS NEW YORK

FOR SAD

UN AWARD FOR MRS GANDHI

- 1. THE INDIAN PRESS HAVE REPORTED THE ANNOUNCEMENT ON 18 MARCH THAT MRS GANDHI, ALONG WITH THE CHINESE FAMILY PLANNING MINISTER, HAS BEEN AWARDED THE UN POPULATION AWARD, GIVEN FOR THE FIRST TIME THIS YEAR HAVING BEEN ESTABLISHED BY THE GENERAL ASSEMBLY 2 YEARS AGO. THE PRESS RELEASE SAID THAT THE AWARD RECOGNISED MRS GANDHI'S LEADERSHIP ''IN CREATING AWARENESS AND UNDERSTANDING OF POPULATION ISSUES, SPECIALLY AT THE INDIVIDUAL AND COMMUNITY LEVELS' WHICH HAD BEEN OF 'CRUCIAL IMPORTANCE TO THE SUCCESS OF INDIA'S FAMILY PLANNING PROGRAMME'. AS A RESULT OF EFFORTS UNDER MRS GANDHI'S LEADERSHIP ''THE BIRTH RATE IN INDIA HAS BEEN REDUCED FROM 42 PER THOUSAND IN 1965-70 TO 35.3 PER THOUSAND IN 1975-80'.
- 2. WHEN I SAW DR ALEXANDER ON 19 MARCH ON OTHER BUSINESS HE EXPRESSED GREAT PLEASURE AT THIS AWARD. I HAVE NO DOUBT THIS REFLECTS MRS GANDHI'S OWN FEELINGS. AGAINST THE BACKGROUND OF THE EMERGENCY AND THE POLITICAL SENSITIVITY OF THE POPULATION CONTROL QUESTION SINCE, THIS AWARD IS IMPORTANT IN STRENGTHENING MRS GANDHI'S HAND TO GIVE GREATER PRIORITY TO INDIA'S FAMILY PLANNING PROGRAMME IN THE FUTURE.
- 3. GIVEN THE RELATIONSHIP ENJOYED BY THE PRIME MINISTER AND MRS GANDHI, I AM SURE THAT MRS GANDHI WOULD BE PLEASED TO RECEIVE A CONGRATULATORY MESSAGE FROM THE PRIME MINISTER. IF THIS IS IN LINE WITH CURRENT NO. 10 PRACTICE, I SUGGEST A PRIVATE MESSAGE, IN VIEW OF THE POLITICAL SENSITIVITIES, ALONG THE FOLLOWING LINES:

''I WAS VERY PLEASED TO HEAR ABOUT YOUR UNITED NATIONS
POPULATION AWARD. MY WARM CONGRATULATIONS. SUCH RECOGNITION IN THIS
VITAL FIELD MUST GIVE YOU GREAT SATISFACTION.''

FCO PASS SAVING TO UKMIS NEW YORK

(REPEATED AS REQUESTED)

WADE-GERY

LIMITED SAD UND NEWS.D PSIME HURD

MR GIFFARD MR DONALD MR ADAMS

RESTRICTED

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Classification and Caveats

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TELNO		8 TELEGRAM NUMBER 9 UN AWARD TO MRS GANDHI: YOUR TEL 232							
		0 1. Please convey the following message from the Prime Minister							
		1 to Mrs Gandhi.							
		BEGINS: I was very pleased to learn of your United Nations							
					m congratulations. Such				
					vital field must give				
	16	you great sa	tisfaction.	ENDS					
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PRIME MINISTER INDIA PRIME MINISTER'S New Delhi March 22, 1983 PERSONAL MESSAGE SERIAL No. 7 338/83 Dear Prime Minister, In a few months I shall have the pleasure of welcoming you to the CHOGM. We all remember the circumstances and the spirit in which the Commonwealth was reshaped after our Independence, enabling us to put our relationship on a footing more relevant to the contemporary world. The Commonwealth has been unlike any other international organisation because of its informality and fellow feeling, in spite of the many differences of opinion amongst us on several vital political and economic issues. We always try to reconcile views to arrive at a common approach or at least to stress the common problems which face us all. Emphasis on points of divergence will weaken the Commonwealth. This is why we have had a convention that bilateral issues between members of the Commonwealth should not be raised at our meetings. ...21Recently we had a meeting of Non-Aligned nations.

Several members of the Commonwealth were present. Some delegates expressed views contrary to ours, as is expected in such a large gathering. But I should like to draw your attention to the speech circulated by the Deputy Prime Minister of Singapore as also the pamphlet issued by the Foreign Ministry of Singapore. Some of the words used can hardly be described as becoming or appropriate for delegations led by Heads of State/Government. I hope that the forthcoming Commonwealth meeting will not be brought down to this level by any member. The smooth functioning of the Commonwealth, in fact its very survival depends on mutual respect and goodwill and the observance of certain norms.

My normal reaction is to ignore such remarks but I am writing because I do want our forthcoming meeting of CHOGM to be a success.

mitt warm wards it pools wished.

The sweet of which and he

The Rt. Hon'ble Margaret Thatcher, M.P., Prime Minister of Great Britain, London.

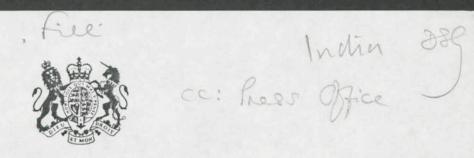
MISS STEPHENS

To note.

Home offred 11 april.

cf.

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10 DOWNING STREET

From the Private Secretary

21 March 1983

Thank you for your letter of 16 March about the possibility of a telephone link-up between the Prime Minister and Mrs. Gandhi to mark the 50th anniversary of the opening of telephone services between the UK and India. Mrs. Thatcher has agreed that the High Commission in New Delhi may discuss this proposal with Mrs. Gandhi's Office, and if Mrs. Gandhi agrees, to take part in such a link-up on 11/12 April perhaps you could be in touch with Caroline Stephens here to arrange a time.

I am sending a copy of this letter to John Holmes (Foreign and Commonwealth Office).

Timothy Flesher

Stephen Nicklen, Esq., Department of Industry.

800.

PRIME MINISTER

Attached is a note from Industry proposing that you should mark the 50th Anniversary of the opening of telephone services between the UK and India by a television link up or a telephone call to Mrs. Gandhi. John and I are against this; in our view conversations with Heads of Government should be limited to occasions when we have something to say to them rather than somewhat spurious anniversaries. Agree to decline?

18 March 1983

for Antalia. I an suli-Lappy to do it game if This, Garethi agrees. The

ef I. Kydd JH 191 DEPARTMENT OF INDUSTRY ASHDOWN HOUSE 123 VICTORIA STREET LONDON SWIE 6RB TELEPHONE DIRECT LINE 01-212 3301 SWITCHBOARD 01-212 7676 Secretary of State for Industry 16 March 1983 Tim Flesher Esq Private Secretary to the Prime Minister 10 Downing Street London SW1 Dear Tim INDIAN TELECOMMUNICATIONS 1 May is the 50th Anniversary of the opening of telephone services between the UK and India. In view of Britain's historical involvement in the development of Indian telecommunications, the Managing Director of British Telecom International, after discussion with the Indian Telecommunications Administration, has suggested that it would be appropriate to mark the occasion by a telephone link up between the Prime Minister and Mrs Gandhi. Kenneth Baker will be visiting India from 10-12 April with Sir George Jefferson and the Managing Directors of Plessey and GEC Telecommunications to promote GEC's bid to supply System X to the Indians. Both BT and the other industrialists are anxious that the telephone call should take place in that week if possible. BTI could arrange either an international direct dialling call or a television link up from wherever the Prime Minister happened to be on 11 or 12 April. BTI believe that a television link up would generate more publicity. The Foreign and Commonwealth Office have consulted the British High Commissioner in New Delhi who warmly supports this idea. The High Commissioner would hope to be able to interest Mrs Gandhi in it both by drawing attention to the 50th Anniversary of the opening of telephones and by placing it firmly in the context of the celebration of 1983 as World Communications The occasion could also usefully be given a Commonwealth slant, appropriate to 1983 as the year of the Commonwealth Heads of Government meeting in Delhi. My Secretary of State agrees that a telephone link up would be an appropriate way of marking this anniversary and would be grateful if you would put this suggestion to the Prime Minister. If the Prime Minister agrees to it, the High Commission in New Delhi will discuss the proposal with Mrs Gandhi's office. High Commission have also suggested that the choice between a direct dialling call and a television link up should if possible

be left to expressing Prime Mini.

4 If the helpful to as possible preparation.

5 I am contracts

be left to Mrs Gandhi, though there would be no harm in expressing our slight preference for the latter if that is the Prime Minister's choice.

4 If the Prime Minister agrees to this suggestion it would be helpful to know her likely whereabouts on 11 or 12 April as soon as possible so that BTI can make the necessary technical preparations.

I am copying this letter to Brian Fall at the FCO.

Your sively

Stee Northern

STEPHEN NICKLEN

Private Secretary

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Fle Nb

10 DOWNING STREET

From the Private Secretary

15 February 1983

Thank you for your letter of 15 February conveying a message to the Prime Minister from the Prime Minister of India. I shall place Mrs. Gandhi's message before Mrs. Thatcher immediately.

A. J. COLES

Mr. V. B. Soni.

NR

ce meste भारत का हाड कमीशन V.B. Soni Counsellor (Political) THE HIGH COMMISSION OF INDIA, INDIA HOUSE, DEPARTMENT. PERSONAL MESSAGE ALDWYCH, TELEPHONE: 01-836 8484 EXT. LONDON, W.C.2. TELEGRAMS: HICOMIND, LONDON, W.C.2. SERIAL No. No.LON/POL/123/1/82 February 15, 1983 Dear Mr. Coles, I have the honour to convey the following message from Prime Minister Smt. Indira Gandhi to the Rt. Hon. Margaret Thatcher, Prime Minister of United Kingdom: BEGINS: "I thank Your Excellency for the message of greetings on the occasion of our Republic Day. I am confident that the friendship between our two countries will continue to grow. My best wishes for Your Excellency's health and happiness and for the prosperity and well being of the people of your country. INDIRA GANDHI." ENDS. I would be grateful if the message is brought to the attention of the Rt. Hon. Prime Minister as early as possible. buth warmed offer Mr. A.J. Coles, Private Secretary to the Prime Minister, 10, Downing Street, LONDON SWI.

IN 5 JAN 9 8 7 c

SUBJECT



With the compliments of

SOUTH ASIAN DEPARTMENT

FOREIGN AND COMMONWEALTH OFFICE SW1A 2AH

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_ NO	8	TELEGRAM NUMBER			
	9	REPUBLIC DAY			
	/10	1. Please convey	the following m	essage from the Prime	Minister
	11	to Mrs Gandhi on or	just before 26	January:	
	12	"I am delighte	d, on the occas	ion of Republic Day,	to
	13	send to you ar	nd to the Govern	ment and people of In	dia
	14	my warmest cor	gratulations and	d my best wishes for	a
	15	happy and pros	perous future.		
	16	I very much lo	ok forward to se	eeing you again in Ne	W
	17			opy memories of my pr	
	18			vn visit to London la	
	20			ia. These exchanges	
	21			bonds between our t	WO
111	22	countries. Wa	rm regards. Mai	garet Thatcher".	
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La No India

10 DOWNING STREET

From the Private Secretary

14 January 1983

INDIA: REPUBLIC DAY MESSAGE FROM THE PRIME MINISTER

The Prime Minister agrees that the message enclosed with your letter of 10 January should be despatched to Mrs. Gandhi on or just before 26 January.

A.J. COLES

John Holmes Esq Foreign and Commonwealth Office

Foreign and Commonwealth Office London SW1A 2AH 10 January 1983 Pue Muter: agree to send menage? India: Republic Day Message from the Prime Minister It is customary for the Prime Minister to send a

message to the Indian Prime Minister on Republic Day, 26 January.

I attach a draft message from the Prime Minister to Mrs Gandhi, in the form of a telegram to New Delhi, which we will despatch if she is content. A copy of last year's message is also enclosed.

> Yns ene (J E Holmes) Private Secretary

A J Coles Esq 10 Downing Street

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TEL NO

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UNCLASSIFIED

FM FCO 61630Z JANUARY 1983

TO ROUTINE NEW DELHI

TELEGRAM NUMBER

REPUBLIC DAY

Please convey the following message from the Prime Minister to Mrs Gandhi on or just before 26 January:

"I am delighted, on the occasion of Republic Day, to send to you and to the Government and people of India my warmest congratulations and my best wishes for a happy and prosperous future.

I very much look forward to seeing you again in New Delhi in November. I have happy memories of my previous visits to India and of your own visit to London last March for the Festival of India. These exchanges do much to strengthen further the bonds between our two countries. Warm regards. Margaret Thatcher".

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File number	Dept S A D	Distribution LIMITED		
Drafted by (Block capitals) G FINLAYSON		SAD PCD NEWS DEPT		
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TOP COPY UNCLASSIFIED 46142 - 1 GRS 110 FSE 227 UNCLASSIFIED RECEIVED IN REGISTRY NO. 61 25 JAN 1982 DESKBY 250600Z O SK OFFICER REGISTRY FM FCO 221200Z JANUARY 82 Action T on PA TO IMMEDIATE NEW DELHI T.F.K TELEGRAM NUMBER 77 OF 23 JANUARY REPUBLIC DAY 1. PLEASE CONVEY THE FOLLOWING MESSAGE FROM THE PRIME MINISTER TO MRS GANDHI: 'IT GIVES ME GREAT PLEASURE TO SEND TO YOU AND TO THE GOVERNMENT AND PEOPLE OF INDIA MY WARMEST CONGRATULATIONS ON THE OCCASION OF REPUBLIC DAY AND MY BEST WISHES FOR A HAPPY . AND PROSPEROUS FUTURE. I RECALL WITH PLEASURE MY VISIT TO INDIA LAST APRIL AND LOOK FORWARD TO RECEIVING YOU IN BRITAIN IN MARCH. THESE VISITS STRENGTHEN OUR EXISTING CLOSE RELATIONS AND SYMBOLISE THE WARM AND AFFECTIONATE FEELING BETWEEN OUR TWO COUNTRIES. * CARRINGTON LIMITED SAD PCT COPIES SENT TO PS MRHURD No. 10 DOWNING STREET MRDONALD

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CONFIDENTIAL

Foreign and Commonwealth Office London SW1A 2AH

7 January, 1983

& discussed sally with de P. n.

Dear John,

Indian State Elections

The results of the elections in three Indian states, just announced, amount to a significant political reverse for Mrs Gandhi. The Prime Minister might like to see Sir Robert Wade-Gery's telegram assessing the situation (copy enclosed).

There is only one additional point which should perhaps be made. In spite of the national impact which the scale of these electoral reverses is bound to have in India, it does not mean that the opposition is united or that any one opposition party is likely to be effective on a national scale in the immediate future. The opposition parties are fragmented and lacking in a charismatic national figure. Furthermore they have not even begun to discuss the basis for a common programme. These latest results may however provide the impetus for greater cohesion among the opposition and it would presumably be to prevent this occurring that Mrs Gandhi might be tempted by an early general election possibly shortly after the NAM Summit in March (the last sentence of paragraph 5 of the telegram). But it would of course be a very high risk course. It is not on the face of it very likely.

> Yans ere (J E Holmes

Private Secretar

A J Coles Esa Private Secretary 10 Downing Street CONFIDERTIAL

GRS 900 CONFIDENTIAL FM DELHI 071121Z JAN 83 TO IMMEDIATE FCO TELEGRAM NUMBER 012 OF 07 JANUARY INFO PRIORITY ISLAMABAD, DHAKA, BOMBAY (ACTIONED) ROUTINE COLOMBO, KATHMANDU INFO SAVING CALCUTTA, MADRAS

THE INDIAN DOMESTIC POLITICAL SCENE

- 1. FOR THE FIRST TIME SINCE MRS GANDHI RETURNED TO POWER IN 1980 HER CONGRESS (1) PARTY HAS UNDERGONE SERIOUS REVERSES IN ELECTIONS TO THE ASSEMBLIES OF 2 IMPORTANT SOUTHERN STATES, ANDHRA PRADESH AND KARNATAKA. MRS GANDHI HAS SUFFERED A CLEAR PERSONAL DEFEAT, AND ON A SCALE FEW EXPECTED. WITH CONGRESS (1) ALREADY IN A POOR SHAPE IN OTHER PARTS OF INDIA, THESE RESULTS ARE LIKELY TO HAVE IMPORTANT REPERCUSSIONS FOR INDIAN NATIONAL POLITICS.
- ALTOGETHER 3 STATES WENT TO THE POLLS ON 5 JANUARY. THE SMALLEST, TRIPURA, AN ENCLAVE IN THE NORTH-EAST, HAS BEEN HELD BY THE COMMUNIST PARTY OF INDIA (MARXIST) (CPM) AND CARRIES LITTLE WEIGHT ON THE NATIONAL SCENE. ANDHRA PRADESH AND KARNATAKA, BY CONTRAST, REPRESENT 13% OF THE INDIAN POPULATION AND HAVE HITHERTO BEEN CONSISTENTLY LOYAL TO MRS GANDHI, EVEN WHOM SHE LOST POWER IN 1977. IN ANDHRA, THE CHALLENGE WAS LED BY A NEW REGIONAL PARTY, TELUGU DESAM, FOUNDED ONLY 9 MONTHS AGO BY THE FAMOUS FILM STAR N T RAMA RAO. OUT OF A TOTAL OF 294 ASSEMBLY SEATS, TELUGU DESAM HAS ALREADY WON 196 SEATS OF THE 281 DECLARED, WITH CONGRESS (1) TRAILING FAR BEHIND WITH ONLY 57. IN KARNATAKA, WITH 221 OF THE 224 SEATS DECLARED, AN ALLIANCE BETWEEN JANATA, THE NEW KRANTI RANGA REGIONAL PARTY AND THE COMMUNISTS HAS WON 100 SEATS, CONGRESS (1) 80. BHARATIYA JANATA PARTY 18 AND INDEPENDENTS AND OTHERS 23. IN TRIPURA WITH 58 OUT OF 60 SEATS DECLARED CPM HAS WON 37, CONGRESS (I) 11, OTHERS 10.
- 3. N T RAMA RAO PROVED TO BE AN ELOQUENT CAMPAIGNER, BRILLIANTLY EXPLOITING HIS WELL-KNOWN SCREEN IMAGE. HIS DENUNCIATION OF CORRUPTION AND INEFFICIENCY IN A CONGRESS (I) ADMINISTRATION SO CLEARLY MANIPULATED FROM FAR OFF DELHI STRUCK AN UNEXPECTEDLY RESPONSIVE CHORD AMONGST THE ANDHRAN PEOPLE WHICH TRANSCENDED CASTE AND LOCAL FACTORS. CONGRESS (1)'S TRADITIONAL ELECTORAL WEAPONS OF MONEY, POWER AND ABOVE ALL MRS GANDHI'S PERSCHAL MAGIC FAILED TO WORK.

MANY

4. BUT IN MAY WAYS THE KARMATAKA RESULT HAS MORE CMINOUS IMPLICATIONS FOR MRS GANDHI'S PARTY. IN THE ABSENCE OF ANY CHARISMATIC CHALLENGER, THE RESULT SEEMS A CLEAR VOTE AGAINST HER PARTY'S POLICES MORE GENERALLY, AND AN INDICATION OF DEEP DISSATISFACTION WITH THE CORRUPTION AND INCOMPETENCE OF GUNDU RAO'S STATE GOVERNMENT. THE MESSAGE WILL NOT BE LOST ELSEWHERE IN INDIA.

CONFIDENTIAL

5. THE IMPLICATIONS WILL TAKE TIME TO SINK IN FULLY BUT SOME TENTATIVE CONCLUSIONS CAN ALREADY BE DRAWN. MRS GANDHI AND RAJIV DEVOTED ALL THEIR PRESTIGE AND ENORMOUS EFFORTS TO THE CAMPAIGN AND THE DEFEATS WILL BE SEEN AS A BLOW TO THEM BOTH AND TO THE IMAGE OF THE CONGRESS PARTY AS A WHOLE. THE PARTY HAS BEEN HELD TOGETHER LARGELY BY MRS GANDHI'S HITHERTO UNCHALLENGED ABILITY TO WIN ELECTIONS FOR HER PARTY MEMBERS AT NATIONAL AND STATE LEVEL. BUT IN-FIGHTING WITHIN THE PARTY HAS REACHED DEBILITATING LEVELS IN SEVERAL IMPORTANT STATES AND IS NOW LIKELY TO GET WORSE. IF THE PARTY EDIFICE WEAKENS FURTHER, MRS GANDHI MAY NEED TO TAKE STRONG MEASURES TO SHORE UP HER POLITICAL POSITION. ONE OPTION MIGHT BE A MORE SERIOUS SEARCH FOR TELENT AMONGST FORMER SUPPORTERS NOW IN THE POLITICAL WILDERNESS OR ANOTHER LOOK AT THE IDEA OF FORMING CLOSER LINKS WITH PARTIES ON THE LEFT. AS SHE DID IN THE EARLY 1970'S. THERE IS SOME SPECULATION, PARADOXICALLY ENOUGH, THAT A SNAP GENERAL ELECTION, SAY AFTER THE MON-ALIGNED SUMMIT, MIGHT PROVIDE A BETTER WAY OF RECONSTITUTING HER POLITICAL BASE.

- 6. NEITHER N T RAMA RAO'S VICTORY NOR THAT IN KARNATAKA SUGGEST A CHALLENGE TO MRS GANDHI'S EXTERNAL POLICIES. THE SET-BACKS WILL, HOWEVER, ENCOURAGE REGIONAL POLITICAL PARTIES, EG IN PUNJAB THE AKALIS ARE LIKELY TO BE MORE INTRANSIGENT. IN ASSAM (WHERE STATE ASSEMBLY ELECTIONS WERE SURPRISINGLY ANNOUNCED FOR 14, 17 AND 2G FEBRUARY ALONG WITH MECHALAYA ON 17 FEBRUARY AND DELHI ON 5 FEBRUARY) THE ASSAMESE AGITATION LEADERS WILL BE ENCOURAGED TO CONTINUE THEIR STRUGGLE. THESE ELECTIONS NOW TAKE ON AN ADDITIONAL SIGNIFICANCE FOR CONGRESS (I)'S STANDING IN INDIA.
- 7. IN HER LONG CAREER MRS GANDHI HAS DEMONSTRATED GREAT SKILL IN SURMOUNTING POLITICAL CRISES AND HER POLITICAL RESILIENCE SHOULD NOT BE UNDER-ESTIMATED. HER PRESENT DOMINCANCE OF THE PARTY IS NOT AT RISK, BUT SHE HAS SHOWN IN THE PAST THAT IF SHE FEELS HER BACK IS TO THE WALL SHE CAN EMBARK ON UNEXPECTEDLY DRAMATIC INITIATIVES. CERTAINLY A GREATER AIR OF UNCERTAINTLY NOW HANGS OVER THE INDIAN DOMESTIC POLITICAL SCENE THAN AT ANY TIME DURING THE PAST 3 YEARS.

WADE-GERY

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PERSONAL MESSAGE

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TO PRIORITY NEW DELHI
TELEGRAM NUMBER 836 OF 9 DECEMBER

FESTIVAL OF INDIA

GRATEFUL IF YOU COULD PASS ON THE FOLLOWING MESSAGE FROM THE PRIME MINISTER TO MRS GANDHI:

SINCE WE OPENED THE FESTIVAL OF INDIA TOGETHER IN MARCH, IT
HAS BEEN A GREAT DELIGHT TO ME TO FOLLOW THE MAGNIFICENT SUCCESSION
OF EVENTS THAT HAVE TAKEN PLACE ALL OVER BRITAIN IN THE NAME OF
THE FESTIVAL. IT WAS A PARTICULAR PLEASURE TO RECEIVE RAJIV
AND SONIA HERE LAST MONTH WHEN THEY CAME TO ATTEND THE CLOSING
EVENT. BY ALL ACCOUNTS IT WAS A SPLENDID OCCASION, WHICH I WAS
MOST DISAPPOINTED TO MISS.

THE FESTIVAL HAS JUSTLY CELEBRATED NOT ONLY THE RICH TRADITIONS
BUT ALSO THE LIVING AND POTENTIAL TALENTS OF INDIA. THE
EXHIBITIONS AND PERFORMANCES WE HAVE SEEN HAVE BEEN REMARKABLE
FOR THEIR QUALITY, VARIETY AND SPIRIT AND HAVE BEEN RECEIVED WITH
ENORMOUS INTEREST AND ENTHUSIASM BY PEOPLE OF ALL AGES.
I SHOULD LIKE TO EXPRESS MY GRATITUDE TO YOU AND YOUR
GOVERNMENT FOR YOUR SHARED INTEREST: TO THE MEMBERS OF THE INDIAN
ADVISORY COMMITTEE AND ALL THE INSTITUTIONS WHO PUT IN SO MUCH
DEVOTED WORK: AND TO THE PERFORMERS AND PARTICIPANTS FOR THE
INSPIRATION AND PLEASURE THEY GAVE.

ALTHOUGH THE FESTIVAL LASTED ONLY FOR 8 MONTHS I AM SURE THAT IT WILL ENRICH RELATIONS BETWEEN OUR COUNTRIES AND PEOPLES FOR MANY YEARS TO COME.

PYM

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10 DOWNING STREET 6 December 1982 From the Private Secretary Thank you so much for your letter of 15 November and the small souvenir which accompanied it and which commemorates the Festival of India. It has been very pleasant to have been associated, even in a minor way, with such a successful event. An enormous part of the credit for this success is due to your own efforts. ' I very much hope that ways will be found of building on the achievements of the Festival. A. J. COLES Mrs. Pupul Jayakar



6 December 1982

Festival of India

Thank you for your letter of 3 December.

The Prime Minister agrees that the proposed message to Mrs. Gandhi, marking the successful conclusion of the Festival, should be despatched. I take it that you will arrange for this to be telegraphed.

JOHN COLES

John Holmes, Esq., Foreign and Commonwealth Office.

R

Premie Minister Agree to send message as proposed 2. Foreign and Commonwealth Office Assert London SW1A 2AH 3 December 1982 Dea John, Festival of India Now that the Festival of India has formally ended (Sir Michael Walker's report to the Prime Minister of 15 November and your reply of 17 November), we think it would be appropriate for the Prime Minister to send a message to her Joint Patron, Mrs Gandhi, to mark the Festival's successful conclusion. I attach a draft of the kind of message we have in mind. The Secretary of State has already written a letter of thanks to Sir Michael Walker. You may like to see a copy of this and of Sir Michael's reply. your ever (J E Holmes) Private Secretary A J Coles Esq 10 Downing Street

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1+

Reference

Prime Minister

DEPARTMENT: TEL. NO:

TO: Shrimati Indira Gandhi Your Reference

Shrimati Indira Gandhi

Copies to:

SUBJECT:

Since we opened the Festival of India together in March, it has been a great delight to me to follow the magnificent succession of events that have taken place all over Britain in the name of the Festival. It was a particular pleasure to receive Rajiv and Sonia here last month when they came to attend the closing event. By all accounts it was a splendid occasion, which I was most disappointed to miss.

The Festival has justly celebrated not only the rich traditions but also the living and potential talents of India. The exhibitions and performances we have seen have been remarkable for their quality, variety and spirit and have been received with enormous interest and enthusiasm by people of all ages.

I should like to express my gratitude to you and your Government for your shared interest; to the members of the Indian Advisory Committee and all the institutions who put in so much devoted work; and to the performers and participants for the inspiration and pleasure

Enclosures—flag(s).....

gave.

Although the Festival lasted only for % months I am sure that it will enrich relations between our countries and peoples for many years to come.



From the Secretary of State

. . .

Foreign and Commonwealth Office

London SW1A 2AH

23 November 1982

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Now that the Festival of India has been brought formally to a close I should like to express my thanks, on behalf of the Foreign and Commonwealth Office, to you and your fellow Trustees, the Festival Administrators and Committee members, for your contribution to this landmark in Indo-British relations.

To mount a Festival of such size, scope and duration has been an enormous undertaking. That it has succeeded so splendidly over its wide-ranging and constantly expanding programme of activities is a tribute to the unflagging energy, enthusiasm and devotion of you and your colleagues, and not least to your steady and able Chairmanship throughout.

The Festival has revitalised Indo-British relations at many levels and its value will continue to be felt in the years to come. I am most grateful to you and your colleagues for all your efforts.

Jans van suiceel Frankis fr

(FRANCIS PYM)

l'estiva! Sir Michael Walker GCMG Chairman The Rt Hon Lord Aldington KCMG CBE DSO Mr John Burgh CB Mr R P Chandaria The Lord Chitnis Sir John Cuckney Mr Maneck Dalal PC 293/12 The Earl of Harewood Sir Ronald McIntosh, KCB Mr Swraj Paul Patrons The Rt Hon Kenneth Robinson The Rt Hon Margaret Thatcher MI? HEDrVA Seyid Muhammad Shrimati Indira Gandhi DrKSShelvankar Mr A J Shepperd Festival of India Office, Room 64/G Government Offices. Great George Street, London SW1A 1AA. 24 November 1982 Telephones: 01 233 5986 and 233 36001 The Rt Hon Francis Pym MC MP Secretary of State for Foreign and Commonwealth Affairs Secretury of I was most grateful for your letter of 23 November and for your extremely generous tribute to all of us who have been working for the Festival of India. It has been a privilege for us to work for this imaginative joint venture with India and we are naturally delighted by its success and particularly pleased by your assessment of the contribution the Festival has made to closer Indo-British relations. Your letter arrived in time for me to circulate it to the Members of the Trust at our meeting yesterday and I will see that it is also conveyed to the Members of the other Committees and of the Festival Office. I know that all of them would wish to join me in thanking you for your kind letter which will give everyone much pleasure. Perhaps I may take this opportunity of telling you how much we have been helped by the consistent backing we have received from both the South Asian Department and Cultural Relations Department. It has been a great reassurance for us always to be able to turn to Michael Burton or John Macrae and their Departments for help or advice and I should like you to know how grateful I am to them all for the consistent support they have given. 2 Ra We shall have to in comparting with Jobs Michael Walker Chairman 1. Low N. goden have Festival of India Trust

celed PERSONAL MESSAGE SERIAL No. T224 82 10 DOWNING STREET 22 November, 1982 THE PRIME MINISTER 1) Ins. Gardhi. Thank you for your letter of 28 October about Mrs. Bhutto. Like you, I do not want to interfere in the affairs of other countries. But Mrs Bhutto's case has also given rise to

humanitarian concern in this country. We were therefore glad to hear that she has now been granted permission to leave Pakistan for medical treatment abroad.

With warm regards I ay we hate

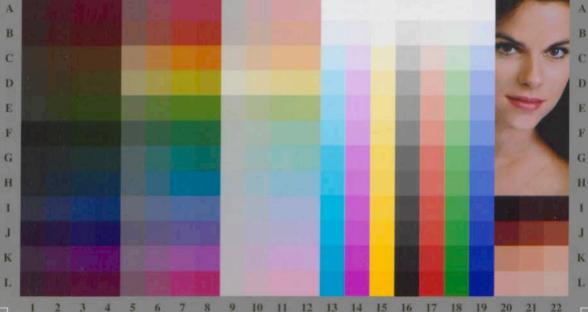
Her Excellency Shrimati Indira Gandhi

PART 2 ends:-

ATC to PM 19/11

PART_____begins:-

PM to PM INDIA T224/82



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