

PS/M010.
ADVANCE COPY

GRS 375

CONFIDENTIAL

CONFIDENTIAL

D E S K B Y 160930Z

FM NEW DELHI 160830Z JAN 85

TO IMMEDIATE FCO

TELEGRAM NUMBER 066 OF 16 JANUARY

INFO IMMEDIATE DTI, ODA

MY TELNO 61 : INDO BRITISH RELATIONS

1. MY MEETING WITH ALEXANDER THIS MORNING WAS VERY SATISFACTORY. HE APOLOGISED FOR NOT GETTING BACK TO ME SOONER: BUT HE HAD WANTED FIRST TO GO INTO THE MATTER THOROUGHLY. THERE APPEARED TO HAVE BEEN A MISUNDERSTANDING, WHICH HE HAD NOW CLEARED UP. HE SPOKE "WITH HIGHEST POSSIBLE AUTHORITY" AND HAD MADE CLEAR TO ALL CONCERNED ON THE INDIAN SIDE WHAT THE TRUE POSITION WAS. HE WOULD BE GRATEFUL IF I COULD REPORT THIS AS FOLLOWS.
2. THE GOI HAD TAKEN NO ACTION VIS-A-VIS BRITAIN IN THE MATTER OF CHAUHAN AND CO EXCEPT TO REPRESENT TO US THEIR VERY STRONG CONCERN. THE POSTPONEMENT OF MINISTERIAL VISITS WAS WHOLLY UNCONNECTED. IT WAS DUE ONLY TO PRESSURE OF WORK FOLLOWING THE GENERAL ELECTION IN DECEMBER AND IN PREPARATION FOR AN IMPORTANT ROUND OF STATE ELECTIONS IN MARCH. ALMOST ALL MINISTERS HAD NEW PORTFOLIOS, AND THERE WAS A NEW PARLIAMENT TO DEAL WITH. THE SAME WENT FOR THE POSTPONEMENT OF EXHIBITIONS.
3. I ASKED ABOUT NEGOTIATIONS FOR COMMERCIAL CONTRACTS, CURRENTLY INVOLVING THE INDIAN MINISTRY OF DEFENCE. THE LATTER WERE SAID BY OUR FIRMS TO BE SAYING THAT THEY WERE HELD UP BY A POLITICAL DIRECTIVE RELATED TO CHAUHAN ETC. ALEXANDER SAID THAT THIS WAS QUITE WRONG. HE HAD CHECKED WITH THE PRIME MINISTER AND INFORMED ALL CONCERNED. THE NEGOTIATIONS COULD GO FORWARD IN WHATEVER WAY THE NEGOTIATIONS THEMSELVES WISHED. THERE WAS NO POLITICAL HOLD-UP AND NO CHAUHAN-RELATED INPUT OF ANY KIND. SIR JAMES BLYTH'S VISIT WOULD BE MOST WELCOME: HE HAD SPOKEN TO THE DEFENCE SECRETARY ABOUT THAT.

CONFIDENTIAL

/ 4. REVERTING

CONFIDENTIAL

4. REVERTING TO MINISTERIAL VISITS, ALEXANDER SAID THAT THESE WOULD BE WELCOME (SUBJECT TO DIARIES ETC) AT ANY TIME FROM APRIL ONWARDS. HE HOPED MR HESELTINE WOULD COME AS SOON AS COULD BE ARRANGED AFTER THE END OF MARCH. WHEN I MENTIONED MR RIDLEY'S PROPOSED VISIT IN APRIL HE SAID HE THOUGHT THAT WOULD BE MOST WELCOME, THOUGH WE WOULD OF COURSE NEED TO CHECK THE EXACT DATE WITH THE INDIAN DEPARTMENTS AND MINISTERS CONCERNED.

5. I THANKED ALEXANDER FOR HIS MESSAGE AND FOR THE TROUBLE HE HAD TAKEN. FOR THE REASONS I HAD EXPLAINED EARLIER I WAS VERY GLAD THAT THE POSITION WAS NOW CLARIFIED AND WAS AS HE DESCRIBED IT. I WOULD SPEAK TO THE DEFENCE AND FINANCE SECRETARIES AS SOON AS POSSIBLE ABOUT THE WESTLANDS NEGOTIATIONS IN PARTICULAR, WHICH FOR AID PROGRAMME REASONS IT WAS IN EVERYONE'S INTERESTS TO CONCLUDE QUICKLY. ALEXANDER DID NOT DEMUR.

6. COMMENT FOLLOWS.

WADE-GERY.

LIMITED
SAD
SCU
PROTOCOL D
PUSD
LEGAL ADVISERS
PS/LADY YOUNG
SIR W HARDING
MR WILSON
MR BARRINGTON

COPIES TO:
DTI (VICTORIA ST.)
ODA

2
CONFIDENTIAL