

DD FCO 241720Z APR 85

ADVANCE COPY

[RC]

OO FCO (DTI/OTTER)

IMMEDIATE

PS (2)

OO FCO (ODA)

PS/POS

GRS 390

PS/LADY YOUNG

PS/MR Kenton

CONFIDENTIAL

X8

~~STR W HARRING~~

DESKBY 241720Z

MR WILSON

FM NEW DELHI 241625Z APR 85

HD SAD

TO IMMEDIATE DESKBY FCO

Mr Powell, No 10
e return

DTI VICTORIA ST

TELNO 538 OF 24 APRIL 1985

AND TO IMMEDIATE DTI AND ODA

WESTLANDS

1. MR RAISON WAS INVITED TO CALL ON THE INDIAN PRIME MINISTER THIS AFTERNOON. THIS WAS AT SHORT NOTICE, AFTER WE HAD GENTLY QUERIED WITH HIS OFFICE A MESSAGE FROM THE FOREIGN MINISTRY RULING OUT SUCH A CALL. THE ONLY OTHER PERSON PRESENT WAS HIS ASSISTANT PRESS SECRETARY, AIYAR, DEPUTISING FOR GHAREKHAN.

2. AFTER A BRIEF AND MUTUALLY COMPLIMENTARY DISCUSSION OF THE BRITISH AID PROGRAMME, MR RAISON MENTIONED THE WESTLANDS PROBLEM. GANDHI REPLIED THAT THE W30 DID NOT APPEAR TO MEET INDIA'S REQUIREMENTS. IF HE RIGHTLY RECALLED THE FIGURES, IT NEEDED, IF ANY ONE ENGINE FAILED, TO CUT THE REQUIRED PAYLOAD BY OVER 200LBS IN ORDER TO GET THE NECESSARY LIFT IN HOT WEATHER WITH FULL SAFETY. THIS MEANT IT COULD ONLY CARRY SIX MEN. THE DAUPHIN IN SUCH CIRCUMSTANCES COULD CARRY TEN. (IT WAS NOT CLEAR WHICH OF THE TWO INDIAN POINTS IN MY TELNO OTTER 114 HE WAS REFERRING TO.) MOREOVER, ALTHOUGH THIS WAS NOT A DEFICIENCY VIS-A-VIS THE ASR, THE ONE-ENGINE PERFORMANCE OF THE FRENCH HELICOPTER WAS SUPERIOR IN OTHER RESPECTS: THIS WAS IMPORTANT, GIVEN THE 4000 FT HILLS NEAR BOMBAY AND ON THE SAME COAST 7000 FT HILLS BEHIND COCHIN. IT HAD NOT BEEN POSSIBLE TO EVALUATE THE W30 FULLY UNTIL IT HAD DONE ITS TRIALS IN INDIA LAST DECEMBER; AND AT THAT STAGE IT HAD NOT PERFORMED ADEQUATELY.

3. MR RAISON AND I REPLIED THAT MUCH OF THIS WAS NOT IN ACCORDANCE WITH OUR INFORMATION. AFTER BRIEFLY REHEARSING OUR SIDE OF THE STORY (INCLUDING THE AVAILABILITY IN INDIA OF A W30 FOR RE-TESTING IN ANY CASES OF DISPUTE) WE EMPHASISED THE IMPORTANCE, IN THE SITUATION WE NOW FACED, OF HAVING

THE IMPORTANCE, IN THE SITUATION WE NOW FACED, OF HAVING A PROPERLY AGREED RECORD OF THE TECHNICAL EXPERTS' MEETINGS, WHICH WOULD SET OUT THE FACTS AS OBJECTIVELY AS POSSIBLE. GANDHI AGREED. WHEN WE WENT ON TO EXPLAIN THAT PROCEDURAL OBSTACLES TO THIS SEEMED TO BE BEING RAISED ON THE INDIAN SIDE, HE AT ONCE SAID THAT THAT SOUNDED UNSATISFACTORY AND HE WOULD LOOK INTO IT.

4. MR RAISON REFERRED TO THE PROBLEMS OF BUSINESS CONFIDENCE AND OF WESTLANDS' PROFESSIONAL REPUTATION. HE ALSO STRESSED THE DIFFICULTIES WHICH WOULD ARISE FOR THE AID PROGRAMME IF THE GOI WERE TO ABANDON AT THIS LATE STAGE A PROJECT TO WHICH THEY THEMSELVES HAD ASKED FOR SUCH A LARGE AMOUNT OF BRITISH AID MONEY TO BE DEDICATED. GANDHI SAID HE WOULD ENSURE THAT THIS POINT WAS FULLY CONSIDERED.

5. THE ATMOSPHERE WAS FRIENDLY AND BUSINESSLIKE THROUGHOUT THE MEETING, WHICH LASTED LESS THAN 15 MINUTES.

WADE-GERY

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