

Duty Clerk ✓

FCO ✓

M. enter

ZCZCLCB228
 AAAA
 140515Z APR 85
 FM AIRBORNE
 TO CABINET OFFICE 019 FLASH
 BT

C O N F I D E N T I A L

PLEASE GIVE THE FOLLOWING TELEGRAM IMMEDIATELY TO F C O COMMUN-
 ICATIONS TO BE SENT FLASH TO DELHI.
 COPIES TO NO. 10, FCO ODA, TREASURY AND DTI.

BEGINS.

C O N F I D E N T I A L

FOLLOWING PERSONAL FOR HIGH COMMISSIONER FROM BUTLER, PRIME
 MINISTER'S PARTY

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THE PRIME MINISTER HAS DE-BRIEFED US ON CONVERSATION WITH GANDHI
 AT AIRPORT. SHE HANDED LETTER TO GANDHI WHO DID NOT READ
 IT AT THE TIME. PRIME MINISTER TOLD GANDHI THAT SHE HAD SPENT
 THREE HOURS WITH WESTLANDS TECHNICAL PEOPLE, WHO HAD NEVER SEEN
 THE FIGURES HE QUOTED AND WERE DISMAYED BY MANY OF THEM. THE
 ARRANGEMENT HAD BEEN FOR 21 OFF-SHORE HELICOPTERS AND SIX EXECUTIVE.
 WESTLANDS UNDERSTOOD THAT THEIR HELICOPTERS MET SPECIFICATIONS
 ISSUED BY THE INDIAN GOVERNMENT AND THE CONTRACT WOULD GO AHEAD,
 SUBJECT TO CERTIFICATION AND EVALUATION. THESE TWO CONDITIONS
 HAD BEEN FULFILLED FOR THE OFF-SHORE HELICOPTERS. FOLLOWING
 TESTS, THE INDIAN GOVERNMENT HAD RAISED TWO POINTS WHICH
 WESTLANDS HAD CLEARED IN JANUARY.

THE PRIME MINISTER CONTINUED THAT SINCE JANUARY IT HAS BEEN
 IMPOSSIBLE TO GET ANY OBJECTIVE INFORMATION FROM THE INDIAN
 GOVERNMENT, AND IT DID NOT APPEAR THAT THE MATTER WAS BEING
 HANDLED IN AN EFFICIENT AND BUSINESSLIKE WAY. NO-ONE HAD TOLD
 WESTLANDS OF ANY SHORTCOMINGS IN RELATION TO THE SPECIFICATIONS
 OR CLAIMED PERFORMANCE. WESTLANDS HAD DRAWN UP THE CONTRACT
 WITH RIGOROUS DELIVERY DATES WHICH THEY UNDERSTOOD THAT THE
 INDIAN GOVERNMENT WANTED, AND TO BE SURE THAT THEY DID NOT FAIL
 TO MEET THESE DATES, HAD ALREADY MADE FOUR HELICOPTERS. SHE
 UNDERSTOOD THAT THE EXTRA SIZE OF THE WESTLANDS HELICOPTER
 PROVIDED AN ADVANTAGE BY INCREASING VERSATILITY AND LOAD-CARRYING
 CAPACITY BOTH FOR OFF-SHORE AND EXECUTIVE USE.

THE PRIME MINISTER CONTINUED THAT FULFILMENT OF THE UNDERSTANDING
 WAS VITAL TO WESTLANDS PROFESSIONAL STANDING. THE PRIME MINISTER
 SAID THAT IF ANYTHING WENT WRONG WITH THE DEAL, SHE AND
 WESTLANDS WOULD NEED A STRICTLY OBJECTIVE STATEMENT OF FACTS.
 AT PRESENT, WESTLANDS FELT THAT THE REQUIREMENTS WERE BEING
 CHANGED WITHOUT THEIR KNOWLEDGE. GANDHI INTERVENED THAT HE
 WAS SURE THAT THIS WAS NOT SO.

GANDHI CONTINUED THAT HE WAS VERY ANXIOUS TO GET AN OBJECTIVE
 REPORT. HE WOULD GET HIS PEOPLE TO GO THROUGH ALL THE FACTS
 AND HE WOULD GO THROUGH THEM PERSONALLY HIMSELF. HE WOULD BE
 GLAD TO HAVE THE WESTLANDS TECHNICAL EXPERTS SIT DOWN WITH HIS OWN.

THE PRIME MINISTER WOULD LIKE YOU TO REPORT THIS OUTCOME
 URGENTLY TO WESTLANDS AND SUGGEST THAT THEY SEND OUT THEIR
 TOP TECHNICAL EXPERT AT ONCE, IF POSSIBLE TODAY OR TOMORROW.
 THEY SHOULD ALSO MAKE SURE THAT A PILOT IS AVAILABLE IN CASE ANY
 FURTHER TESTS NEED TO BE UNDERTAKEN TO ESTABLISH THE FACTS.
 THE PRIME MINISTER ALSO TOLD GANDHI THAT SHE HOPED TO SEE HIM
 IN UK IN OCTOBER. IF HE WISHED TO BASE HIMSELF ON CHEQUERS,
 SHE WOULD GLADLY ARRANGE IT

BT
 GRS 00465
 NNNN

END TFC LCB228

File No.

OUTWARD

Security Classification CONFIDENTIAL
Precedence IMMEDIATE
DESKBYZ

Department

Drafted by

(Block Capitals)

TELEGRAM

Tel. Extn.

FOR
COMMS. DEPT.
USE

Despatched (Date)
(Time)Z

POSTBYZ

PREAMBLE

(Time of Origin).....Z(G.M.T.)

(Restrictive Prefix).....

(Security Class.)... CONFIDENTIAL

(Caveat/
Privacy marking).....

(Codeword).....

(Deskby).....Z

ce Martel

TO IMMEDIATE FOREIGN AND COMMONWEALTH
(precedence) (post) OFFICE Tel. No. of

AND TO (precedence/post).....

AND TO SAVING.....

INFO.....

INFO SAVING.....

Distribution:-

[TEXT]

WESTLANDS

The Prime Minister discussed Westlands with Mr. Gandhi without notetakers. She subsequently gave the following account.

Gandhi drew from an Indian Air Force Report which he had only seen within the last week. He claimed that the one engine performance of the WG30 was only 1000 feet and this was too low, given that the hills around Bombay were 4000 feet. When the Prime Minister pointed out that the helicopters would be flying over the sea, Gandhi replied that the hills were within "the manoeuvring range" of a helicopter landing at Bombay.

Copies to:-

/Second

Second, Gandhi said that the WG30 needed an overhaul every 600 flying hours and its fuel consumption was very high. He claimed that Westlands had not sold any and that the Indians feared the difficulties over spares. He also claimed that the air frame had been re-designed. The general impression he gave was that he had made up his mind that he did not want the helicopters.

The Prime Minister suggested that the helicopters might be acquired for the Helicopter Corporation. Gandhi said that helicopters for this purpose would need to fly even higher. Nor was he attracted by the Prime Minister's alternative suggestion that some of the Westlands helicopters should be taken and used alongside helicopters from other sources.

The Prime Minister told Gandhi that she would enquire urgently into these points. A decision ought to be reached with a week.

When the Prime Minister de-briefed us on this discussion after the meeting Brennan (Westlands) said that some of Gandhi's assertions were inaccurate, particularly the reference to the overhaul intervals and the re-designing of the air frame. It was pointed out that Gandhi had not suggested that the WG30 had failed to meet the specification set by the Indian Government. The requirements about flying height mentioned by Gandhi were new.

The Prime Minister therefore decided to write a letter to Gandhi which was delivered at the airport prior to her departure. The text is in my following telegram.

NOTHING TO BE WRITTEN IN THIS MARGIN

OUT TELEGRAM

Classification and Caveats

Precedence/Deskby

CONFIDENTIAL

IMMEDIATE

ZCZC
GRS
CLASS
CAVEATS
DESKBY
FM FCO
PRE/ADD
TEL NO

1 ZCZC
2 GRS
3 CONFIDENTIAL
4
5
6 FM DTI
7 IMMEDIATE DELHI
8 OTTER

MB

9
10 WESTLAND HELICOPTERS
11 Benjamin saw Berrington to debrief on discussions during the
12 PM's visit.
13 2 Berrington plans to leave UK for Delhi am tomorrow. He
14 plans to be accompanied by Moxan, Westland's Director of
15 Flight Operations, who conducted the flight trials, and also
16 with a performance expert. These latter may have to follow
17 a day later because of visa problems.
18 3 It was underlined to him that he should have the fullest
19 possible material to counter questions on engine-out
20 performance in all configurations, and also high altitude
21 performance. It was also stressed that he should be able to
22 quote verse and text of exchanges during the performance
23 trials to establish the position that Westlands had met the
24 ONGC requirements and satisfied technical questions related
25

N>NNN ends telegram		BLANK	Catchword to	
File number		Dept DTI	Distribution	
Drafted by (Block capitals) C B BENJAMIN			No 10 FCO (SEAD) Baker (Air/DTI)	PS/SOS(DTI) PS/Mr Pattie PS/Sir B Hayes
Telephone number 215 5701				
Authorised for despatch <i>Cleaver</i>				
Comcen reference		Time of despatch		

OUT TELEGRAM (CONT)

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 2 to these. He confirmed that he himself had formally written
 3 on 3 January summarising the technical discussions following
 4 the performance tests and answering the questions posed by
 5 IAF evaluation team. He was also told to ensure that the
 6 Westlands team was fully armed with economic performance
 7 material lest the Indians revert to this area again in any
 8 goal-post shifting.
 9 4 It seems to us that it would be very useful to ensure an
 10 HMG presence at discussions, and DTI would be ready to send
 11 out a representative from Air Division should you wish to
 12 augment the resources of the High Commission. Even as an
 13 observer, such a presence would help to guard against any
 14 subsequent disputes over interpretation. We would of course
 15 be advised entirely by you.
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