In the interests of appropriately reducing telegraphic traffic, the Embassy summarized in ref B the following fuller response to ref A:

1. While GOI holds closely its intentions in nuclear field, on balance Embassy thinks it unlikely India will conduct underground or underwater blast in next few weeks or months, though we do not rule it out in longer term. Straws pointing toward possible underground test sometime in future are: (a) India almost certainly has technical capability to produce explosion; (b) GOI has frequently told Indian Parliament that while it does not want nuclear weapons program, it will continue to refine nuclear knowledge in order keep options open for any necessary response to changing world situation; and (c) GOI has also told Parliament past 18 months that it studying whether safe underground tests can be devised which might usefully relate to geological exploration and other Indian economic development needs. Moreover, even in absence of intention to opt for nuclear weapons program, it might be tempting for GOI to try turn aside country's nuclear hawks by producing underground blast carrying implication India far advanced in nuclear field and could, if necessary, match Chinese and other putative enemies any time it chose.

2. However, militating against imminent test, we think, are: (a) Fairly frequent assertions of GOI officials that underground blasts tricky, require prolonged study, and that not even
developed countries have fully mastered technology (e.g., NEW DELHI 10432, dated 6/30/71, and NEW DELHI 15119 dated 12/3/70; (b) Dr. Vikram Sarabhai’s sudden death. He was absolute czar of Indian atomic energy; enjoying complete confidence of PriMin. Probably some indeterminate period required for GOI to sort out succession to Sarabhai and to give successor time to grow in Government's esteem to point where PriMin would entrust him with major project like test explosion; (c) Indira Gandhi's sense of timing and priorities. India's nuclear hawks have been arguing since Indo-Pak War, that now is the time for India to confirm entry into major power club by choosing nuclear weapons program. PriMin, however, would probably reason, irrespective of her ultimate intentions in nuclear field, that given present wide-spread doubts abroad about India's purposes and intentions, it is better to let Indo-Bangladesh relationship clarify and memories of late 1971 fade before stirring world community's uneasiness anew. 
(We proceed on premise that if GOI held test, it would quickly become known publicly. Indeed, important reason for holding test would be to demonstrate to Indian people India's nuclear progress.) We note following Q. and A. in PriMin's December 31st press conference:
Q. "Pakistan was supported by America and China, two nuclear power countries. Are you thinking of reviewing your atomic policy and planning to produce atom bombs just as a deterrent against possible threats from those two nuclear powers?" A. "I do not think it necessary. I think we were able to deter people quite sufficiently without." Also relevant is [ ] that ranking member of PriMin's secretariat recently said GOI has decided not to invest limited resources in nuclear weapons development program at this time; (d) Other diplomatic missions interested in India's nuclear intentions (e.g., Canadian), and senior Indian newsmen covering Ministry of Defense and Department of Atomic Energy, whom we circumspectly probed, appear to have received no hint of approaching Indian test.

3. Embassy continues to believe that as on most defense/foreign policy related matters, GOI is not susceptible to pressure from abroad on whether to hold atomic test or to initiate nuclear weapons program. India already has sufficient nuclear know-how, and through previous and present foreign collaboration (e.g. French assistance at Kalpakkam), has or will have enough nuclear materials to give GOI latitude of decision. GOI decisions will be based on: (a) perceived necessity; and (b) cost. Since international community has in past made GOI wholly aware of staggering cost of nuclear weapons program, there seems little scope for further such input. Thus, we see nothing US or international community can presently do to influence GOI policy directions in atomic field.