

into circulation only on 3-10-87. About 5 million pieces of this note have been issued so far from the RBI offices at New Delhi, Calcutta, Madras, Bangalore, Ahmedabad, Patna, Guwahati, Bhubaneswar, Kanpur, Hyderabad and Nagpur. Steps have been taken to issue more notes in this denomination.

(c) The quality of the Rs. 500/- denomination paper is the same as that of Rs. 100/- denomination.

[English]

Working Capital Limit for Conversion of Urban Co-operative Bank as Scheduled Bank

1087. SHRI V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has been insisting on a working capital of Rs. 50 crores for converting urban co-operative bank as scheduled bank;

(b) whether any representation has been received from urban co-operative banks to reduce the limit to Rs. 10 crores; and

(c) if so, whether Government propose to reduce the limit to Rs. 10 crores ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Urban Co-operative Banks are not at present included in the Second Schedule of the Reserve Bank of India Act, 1934. Reserve Bank of India have received representations requesting that certain class of urban Co-operative banks may also be included in the Second Schedule of the Reserve Bank of India Act, 1934. No final decision has yet been taken on this.

Enquiry into HDW Submarine Deal

1088. SHRI H.M. PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the Enforcement Directorate and the Central Board of Direct Taxes are presently enquiring into the HDW submarine deal ; and

(b) if so, whether the enquiry has been completed and the results of the enquiry ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) and (b) Enquiries and surveys in the course of regular assessment proceedings are being conducted by I.T. Deptt. in the case of assesseees who are reported to have entered into an agreement with HDW. Similarly, the Directorate of Enforcement is conducting enquiries into the matter under the F.E.R. Act. The enquiries are in progress.

French Entry into LCA Project

1089. SHRI P.M. SAYEED : Will the Minister of DEFENCE be pleased to state ;

(a) whether a contract has been recently entered into with a French firm for designing a Light Combat Aircraft for India ;

(b) if so, whether the light aircraft like gnat already being manufactured in India were not considered upto the mark ;

(c) the amount involved in the contract of the project; and

(d) the approximate cost of the aircraft proposed to be designed and manufactured ?

THE MINISTER OF STATE IN THE DEPARTMENT OF PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ V. PATIL) : (a) A contract has recently been signed with French firm 'Avions Marcel Dassault —Breguet Aviation', only for giving consultancy during the Project Definition Phase of the LCA Project.

(b) LCA is a new generation aircraft with enhanced capabilities as compared to aircraft like Gnat.

(c) The amount involved in the contract for consultancy is French Francs (FF) 55 million. In addition FF 15 million will also be paid towards purchase of know-how for computerised aeronautical design/optimisation methodology and engineering data-base.