

houses are under construction and pending completion for want of funds since 1982 to date ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.M. KRISHNA) : (a) The quantum of House Building Advance admissible to Central Government employees for acquisition/construction of a house has been increased, with effect from 1st April, 1984 to 100 months' pay or the cost of acquisition/construction of house or the repaying capacity of the employee, or Rs. 1.25 lakhs, whichever is the least.

(b) Subject to certain restrictions, the benefit is also admissible in the case of employees whose houses are still under construction provided they have not already drawn the entire amount of house Building Advance originally sanctioned to them.

Curtailment of Staff in Area Accounts Office, Patna

3798. SHRI RAMAVATAR SHASTRI
Will the Minister of DEFENCE be pleased to state :

(a) the specific works allotted to the the Area Accounts Office, Shillong, Siliguri and Calcutta since 1975 ;

(b) whether works other than the prescribed works have been given to those offices during the last three years ;

(c) if so, the amounts for which cheques have been issued by those offices during the last three years ;

(d) whether such unauthorised moves have resulted in the staff curtailment in the main office at Patna ; and

(e) if so, the action Government propose to take in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI K.P. SINGH DEO) : (a) to (e) The distribution of work between the Main Office of CDA, Patna and its sub offices is decided from time to time taking into account various factors the most important of which is the objective of rendering timely and efficient service to the Armed Forces. Any staff adjustments contingent upon such charges are also made from time to time.

Representative of Karnataka on Local Board of Banks

3799. SHRIMATI PRAMILA DANDAVATE : Will the Minister of FINANCE be pleased to state :

(a) whether under Section 9 of the Reserve Bank of India Act, a local Board for the Bank is to be constituted for each of the four regions in the country ;

(b) whether such board is to include to represent territorial and economic interests, and interests of cooperative and indigenous banks ;

(c) whether during the past fifty years no representative of State of Karnataka was included on this Board ;

(d) if so, the reasons therefor ;

(e) whether Government of Karnataka has demanded representation on this Board and

(f) if so, the action taken on their demand ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Section 9 of the Reserve Bank of India Act, 1934 provides that a Local Board shall be constituted for each of the four areas specified in the First Schedule of the Reserve Bank of India Act and shall consist of five members to be

appointed by the Central Government to represent, as far as possible, territorial and economic interests and the interests of co-operative and indigenous banks.

(a) and (d) It is not a fact that during the last 50 years no representative from the State of Karnataka was included in the bank's local board. In the present Southern area Local Board, Dr. C. Parvathamma, Prof. and Head of the Department of Sociology, University of Mysore, (Karnataka State) is a member since January, 1975. Earlier, Shri M.K. Ramachandra of the Mysore Vegetable Oil Products, Bangalore was a member of the Southern area local board from May 25, 1967 to July 21, 1977. There is no provision in the law for the State Governments to be represented on the Local Boards of Reserve Bank of India. There is, however, constant inter-action between the Reserve Bank of India and the State Governments through various forums. Representation of State Governments on the local boards of Reserve Bank of India is, therefore, not considered necessary.

(c) Yes, Sir.

(f) There is no provision in the Reserve Bank of India Act for the State Governments to be represented on the Local Boards.

Representation of Karnataka State on Central Financing Institutions

3800. SHRIMATI PRAMILA DANDAVATE : Will the Minister of FINANCE be pleased to state :

(a) whether the representation on the Central financing institutions viz. Industrial Development Bank of India, Industrial Finance Corporation of India are given on the basis of individual States ;

(b) whether Karnataka State is represented on these banks and Institutions ; and

(c) if not, the reasons thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) to (c) No, Sir Representation on the Industrial Development Bank of India and Industrial Finance Corporation of India is not given on the basis of individual States, as there is no provision in the Industrial Development Bank of India Act, 1964 and Industrial Finance Corporation Act, 1948 for representation of States on the Boards of these institutions.

However, the Managing Directors of Bihar, Haryana and Kerala State Financial Corporations have been nominated on the Board of Industrial Development Bank of India by the Central Government under section 6 (1) (c) (iv) of the Industrial Development Bank of India Act.

Credit Allowed by RBI for Purchase of Food Items

3801. SHRI XAVIER ARAKAL : Will the Minister of FINANCE be pleased to state :

(a) the rate of interest for the credit allowed by Reserve Bank of India for purchase of food items by State Governments ;

(b) the total food credit allowed State-wise list thereof ;

(c) whether Government of Kerala had requested for reduction of 18 per cent interest on food credit ; and

(d) if so, the details thereof and the action taken thereon ?

THE DEPUTY MINISTER IN THE MINISTRY IN FINANCE (SHRI JANARDHANA POOJARY) (a) Bank credit is authorised to the State Governments at concessional rate of interest of 12.5% for procurement of foodgrains (i.e. wheat, paddy, rice and coars gains) within the State at prices fixed by the Government of India and for the purchase of foodgrains from the Central Pool for Distribution