

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 OF 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