

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

under the Public Distribution System. For purchases of foodgrains made with the concurrence of the Government of India whether within the State or inter-State at prices above those fixed by the Government of India, Bank credit is authorised at 18%.

(b) The total food credit limits authorised by the Reserve Bank of India as at the end of June, 1984 amounted to Rs. 1546.90 crores (for procurement at prices fixed by Central Government and Rs. 155.61 crores at prices higher than fixed by Central Government. The attached statement gives the State-wise break-up of food credit limits authorised to the State Governments.

(c) and (d) The Government of Kerala had represented in May, 1983 that the rate of interest on the credit limit authorised to the State Government for Inter-State purchase of foodgrains at prices above the support prices should be reduced from 18% to 12.5%. The State Government was advised that under the national food credit policy, food credit limits at 12.5% are authorised only for procurement of foodgrains within the State at prices fixed by the Government of India and/or for taking delivery of stocks from the Central Pool. For purchases of foodgrains at prices above support prices fixed by the Government of India, the rate of interest would be 18%.

Statement

Credit Limits Authorised as at the end of June 1984

| Name of the State | At Support Prices fixed by Government of India (interest at 12.5 per cent) | At Higher Price (Interest at 18 per cent) |
|-------------------|--|---|
| 1, Assam | 12.00 | 10.00 |
| 2, Andhra Pradesh | 30.00 | 50.00 |
| 3 Bihar | 40.00 | — |

| | | |
|---------------------|----------------|---------------|
| 4. Gujarat | 14.00 | 6.00 |
| 5. Himachal Pradesh | 3.00 | — |
| 6. Haryana | 200.00 | — |
| 7. Karnataka | 32.00 | 20.00 |
| 8. Kerala | 15.00 | 8.00 |
| 9. Maharashtra | 40.00 | 3.00 |
| 10. Madhya Pradesh | 16.00 | — |
| 11. Manipur | 1.50 | — |
| 12. Punjab | 949.00 | — |
| 13 Orissa | 10.00 | 3.61 |
| 14. Rajasthan | 4.00 | — |
| 15. Tamil Nadu | 80.00 | 55.00 |
| 16. Uttar Pradesh | 100.00 | — |
| 17. Pondicherry | 0.40 | — |
| | <u>1546.90</u> | <u>155.61</u> |

Transfer of Officers in Chartered Bank Calcutta

3802. SHRI A. NEELALOHITHADASAN NADAR : Will the Minister of FINANCE be pleased to state :

(a) whether the circular issued by the R. B. I. regarding transferability of officers is applicable to all Indian Banks as well as foreign banks in India ;

(b) if so, whether the same is applicable to the Chartered Bank also ; and

(c) whether there is any officer in the Chartered Bank, Calcutta who has not been transferred from his original office of posting as a Clerk even after becoming a comenanted officer whereas other officers were subjected to transfer, and if so, the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) According to the information received from Reserve