

supervision and control over the advances to ensure proper end-use of funds lent. Banks have also been advised to take strict action against the officials where advances are found to have become sticky due to their negligence, inefficiency or suspected collusion on their part with unscrupulous borrowers. Reserve Bank of India have issued detailed guidelines to the banks indicating the factors to be kept in view before write offs are made, Banks have also been advised to evolve a strict time discipline so that irregular and sick accounts are discovered early and the need for write offs can be avoided as far as possible. Reserve Bank of India has also advised the banks in November, 1986 to introduce a comprehensive and uniform grading system to indicate the health of individual advances and accordingly classify them in various distinct categories. This is expected to facilitate close monitoring of sticky advances by banks and eventually reduce the incidence of bad debts.

**LIC Assistance for Setting up of Permanent Exhibition Complex at Bangalore**

4354. SHRI V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the Karnataka Government are going to set up a permanent exhibition complex at Bangalore on the lines of the Pragati Maidan in Delhi;

(b) whether the Government of Karnataka have sought Life Insurance Corporation assistance to take up the work on the above complex;

(c) if so, the total amount of LIC assistance sought; and

(d) the action proposed to be taken by Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Yes, Sir.

(c) Rs. 16 Crores.

(d) State Government of Karnataka have already been apprised of the position on 28.11.1987 that it would be difficult

for the LIC to spare funds for the proposed Exhibition complex at Bangalore, in view of its commitments for investment of major portion of their resources in Socially Oriented projects as per allocations made by the Planning Commission and also for providing additional funds for speedy funding of Water Supply and Sewerage Schemes due to the current drought situation in the country.

**Controlled Cloth Scheme**

4355. SHRI V.S. KRISHNA IYER : Will the Minister of TEXTILES be pleased to state :

(a) whether Government had stopped the distribution of controlled cloth from April, 1987 onwards;

(b) if so, whether Government are aware that the demand from the rural areas is substantially more for this controlled cloth; and

(c) whether Government will consider continuing the Controlled Cloth Scheme to help the rural population from availing of benefit of cheaper varieties of cloth ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) No, Sir.

(b) and (c). Do not arise in view (a) above.

**Proposal to Close Bank Branches in Bangalore City**

4356. SHRI V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) total number of nationalised banks branches in the Bangalore city; and

(b) whether there is any proposal to close some branches in the localities where there are more branches ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reserve Bank of India (RBI) has reported that there were 486 branches of the public sector banks in Bangalore City as on 30th June, 1987. RBI has also reported that it has not received any proposal from the