

(d)
 (b) The criteria adopted for opening L.I.C. branch offices are viability of the new branch after taking into account various factors such as population to be covered, economic development of the area, number Development Officers and agents available, number of existing branches in a particular District and the distance of the proposed new branch from other neighbouring branches; and

(e) No, Sir. LIC does not propose to open a branch office at Sundergarh in Orissa in the current financial year. However, LIC has two branches already operating at Rourkela and Udit Nagar in this District.

Establishment of Zone of Peace in Indian Ocean

2159. SHRI KRISHNA SINGH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that China has also stressed the need for establishing a Zone of Peace in Indian Ocean and Mediterranean seas;

(b) if so, whether in the light thereof, the possibilities of establishment of a Zone of Peace in Indian Ocean have improved; and

(c) if so, the Government assessment in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) People's Republic of China has voted in favour of Resolution 28/32 (1971) on the establishment of Zone of Peace in the Indian Ocean. China has reiterated this position in some of the recent statements made by the Chinese leaders and representatives.

(b) and (c). However due to the attitude of some Western Countries in the Ad-hoc Committee, there has been no forward movement. These countries are insisting on bringing in issues extraneous to the main focus of the Conference, i.e. militarisation and presence of great powers in Indian Ocean areas, These and other related differences

have been used as a justification for repeated postponement of the Conference. Under these circumstances, the possibility of holding the Conference at an early date, but not later than 1988, as called for in Resolution 40/153 appears remote.

Proposal to encourage automation of new textile units

2160. SHRI HUSSAIN DALWAI : Will the Minister of TEXTILES be pleased to state :

(a) whether Government propose to encourage automation in textile industry in order to improve the quality of cloth; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The Textile Policy announced by Government in June, 1985 has stressed the need for modernisation of textile industry. Modernisation in spinning, weaving and processing sectors shall be undertaken on the basis of carefully identified needs of each unit as to installation of balancing equipment, renovation of existing machinery, replacement and technology upgradation For this purpose, Government have constituted a Modernisation Fund of Rs. 750 crores to meet the modernisation requirements for the next 5 years. The import of modern and sophisticated textile machinery not available indigenously is being liberally permitted. Textile machines namely rotor spinning machines, auto cone winder, two for one twisters are also allowed for import at reduced rate of import duty. A national level standing advisory committee on modernisation of textile industry has also been set up to advise Government on needs of modernisation and type of modernisation that the industry should adopt.

External assistance for development programme in Orissa

2161. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state :