

changed and the restructuring of the judiciary contemplated ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) and (c). The Law Commission, in its 121st Report on "A New Forum for Judicial Appointments", has suggested a new model for making recruitment to the superior judiciary, and has recommended the constitution of a National Judicial Service Commission for the purpose. The recommendations of the Law Commission require to be examined in consultation with the concerned Constitutional functionaries to reach a decision.

(b) 114th to 121st Reports of the present Law Commission have already been laid on the Table of both Houses of Parliament. A gist of recommendations contained in these reports, indicating the stage of action taken in respect of each report is given in the Statement laid on the Table of the House.

[Placed in Library. See No. LT 6342/88]

Committee on Suicides by Cotton Growers in Prakasam and Guntur Districts

419. SHRI V. SOBHANA DREESWARA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether the Ojha Committee examining into the circumstances which led to suicides by some cotton growers in Prakasam and Guntur districts has submitted its report to the Government;

(b) if so, the recommendations made by the committee;

(c) whether Government have accepted all or any of the recommendations;

(d) whether Government have agreed to the representations from farmers to write off the interest on the loans given to cotton growers in these two districts; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). A High Powered Committee headed by Dr. P. D. Ojha, Deputy Governor, Reserve Bank

of India was constituted by the Government of India to look into the problems relating to Cotton Growers. The Committee has submitted its report and suggested following short term and long-term measures :

Short-term measures :

- (i) Moratorium for repayment for two years may be given by banks as a special case to all affected farmers in these two districts irrespective of the number of bad crop years. This facility is however, to be extended on the merits of each case.
- (ii) Interest on short-term loan payable by small and marginal farmers should not exceed the principal amount.
- (iii) A short-term loan of all affected farmers should be converted into medium term loan having repayment period of 3-5 years and the banks should charge simple rate of interest on converted loan accounts.
- (iv) In the case of gold loans the ornaments pledged should be auctioned only as a last resort and that too after having the approval of the higher officials.
- (v) The banks should extend loans for allied activities *i.e.* dairy, poultry to supplement the income of the affected farmers.
- (vi) The consumption loan facility upto Rs. 500 should be given to affected farmers.

Long-term measures :

- (i) ICAR should develop white fly/helothis resistant varieties of cotton.
- (ii) The Government should ensure availability of effective pesticide even if it may require import of some chemicals.
- (iii) A Board at National level for regulating the cotton production and marketing may be set up as in the case of tobacco and jute.

- (iv) Measures should be taken to increase irrigation facilities in the two districts. The farmer should be educated to diversify the cropping pattern instead of concentrating on cotton. The State Government should take effective measures for checking the supply of spurious pesticides by taking exemplary stern action against delinquent.

Based on the recommendations of the High Powered Committee, RBI has issued necessary instructions to banks for providing relief to cotton growers of the two affected districts *viz.* Guntur and Prakasam. The instructions issued by RBI vide their letter dated 29.6.88 *inter-alia* provide for the following facilities :

1. The banks as a special case should defer recovery of principal as well as interest from the affected farmers for a period of two years or till the next normal year whichever is earlier.
2. Banks should not charge penal interest nor should they compound the interest on dues postponed.
3. Banks should stop auctioning of gold ornaments pledged with them. Such action be taken as a last resort and that too after obtaining clearance from higher levels.
4. Banks may extend consumption loan facilities upto Rs. 500 per family.

(d) and (e). Reserve Bank of India (RBI) has reported that the interest rates stipulated for agricultural advances are much lower than these stipulated for other categories of borrowers in whose case the maximum interest rate charged is as high as 16.50% p.a. Further, with effect from 1.3.1988 on short-term agricultural loans of Rs. 15,000 and below, it is not possible for banks to write off loans in an ad-hoc manner and the above concessions announced by RBI are considered quite adequate.

Loans Advanced by Banks in Gujarat

420. SHRI HAROOBHAI MEHTA : Will the Minister of FINANCE be pleased to state :

(a) whether representations have been received to the effect that a number of applications for loans recommended by the sponsoring agencies are rejected or delayed by certain nationalised banks in Gujarat;

(b) the number of applications for loans from urban poor pending for clearance or rejected by the nationalised banks as on 9th July, 1988; and

(c) the steps taken or contemplated by Government to ensure better response to the applications for loans by the nationalised banks ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) The Reserve Bank of India (RBI) has reported that no representations alleging that the applications for loans recommended by the sponsoring agencies are rejected or delayed by certain nationalised banks in Gujarat were received by them. However, Dena Bank which is the convenor Bank for the State Level Bankers Committee (SLBC) of Gujarat has reported that they have received a few representations from Gujarat Scheduled Caste Economic Development Corporation and District Rural Development Agencies on the rejections/delay of applications sponsored by them.

(b) Dena Bank has reported that in 1987-88 the number of applications of Urban poor for loans under Self Employment Programme for Urban Poor (SEPUP) pending for clearance or rejected were 16986 and 2387 respectively.

(c) Under SEPUP there is a bankers committee for sponsoring applications to designated branches. The Committee is also entrusted with the responsibilities of reviewing the progress of programme and to ensure that loans are sanctioned within the limit stipulated under RBI guidelines.

Scheduled Caste/Scheduled Tribes Employees in Jute Corporation of India

421. SHRI ANADI CHARAN DAS : Will the Minister of TEXTILES be pleased to state :

(a) the total number of employees working in the Jute Corporation of India