

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI P. SHIV SHANKAR): (a) Yes, Sir.

(b) Some companies have lately offered higher rates of interest than in the past.

(c) The Department has received complaints from time to time from certain depositors against some non-banking non-financial companies regarding default in repayment of deposits and/or interest thereon on maturity.

(d) Alterations in the terms and conditions of deposits already accepted by a company within the regulatory provisions of the Companies Act and the Rules framed thereunder relating to public deposits is a matter for mutual agreement between the depositors and the depositor-company. Like-wise, the interest rate offered by a non-banking non-financial company is also a matter for mutual agreement between the depositor and the depositor-company. No restrictions are prescribed in regard to the rate of interest payable on such deposits under the provisions of Company Law.

Efforts to reduce Litigation Expenses

2531. SHRI ARJUN SETHI:

SHRI RAMAVATAR
SHASTRI:

Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that the efforts of his Ministry to bring about a reduction in the cost of litigation have so far proved unsuccessful; and

(b) what efforts have been made by Government regarding the items on which the litigant has to incur expenditure such as court fees, cost of preparation of records and counsel's fees?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI P. SHIV SHANKAR): (a) and (b). Cost of litigation has three components:—Court fees, cost of preparation of records and counsels's fees.

Court fees in respect of matters before the Supreme Court now became an issue and there had been a demand for its revision.

Court fees in the case of Union territories corresponds to the rate structure prevailing in the adjoining States.

Court fees in respect of all other courts is a matter within the exclusive jurisdiction of the State Governments. In 1975 the suggestion of the Law Commission that court fee may be abolished or reduced in order to provide justice at low cost was taken up with the State Governments. However, none of the State Governments was agreeable to reduce the court fee, mainly on the ground of financial stringency. In the recent meeting of the Consultative Committee of the Ministry of Law, the consensus was that a small Sub-Committee comprising of a few members of the Consultative Committee may be set up to go into this question. Since Court fees is a subject matter in the State List, the views of the States have to be necessarily taken into account.

Regarding cost of preparation of records, in many matters the Supreme Court directs that the appeals may be heard on SLP paper book and the records may be cyclostyled on payment of actual charges instead of being printed. The recommendation of the Law Commission that printing of paper books may be dispensed with and the parties allowed to have the records typed or cyclostyled has been brought to the notice of the State Governments.

As regards Counsel's fees, an emphasis on the social responsibility of the lawyers in fixing the fee charged by them can have a salutary effect.