

अखिल भारतीय ट्रेड यूनियन कांग्रेस
ALL-INDIA TRADE UNION CONGRESS
4, ASHOK ROAD, NEW DELHI.

File No. 200

SUBJECT SUBSIDISED HOUSING SCHEME.

AITUC CENTER

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1961

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NOT FINET

A.I.T.U.C.
Received. 66/27.2.61
Replied.....

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H/9, Kailash Colony,
New Delhi-14.

Dated 25th. Feby: 1961.

Comrade Dange
Dear Comrade,

I have to bring to your notice a very important case under the Low Income Group Housing Scheme of loans to the general public. Under this scheme the Delhi Administration had declared in writing that the rate of interest to be charged on the loans was simple interest, but after more than 4 years it has been found to be a compound interest loan. The Govt. in this way ~~is~~ realises more than the actual amount of the loan of Rs 8,000/- as interest alone. For a loan of Rs 8,000/- the repayment of the loan amount works out to be Rs 16,000/- and a little over. It may also be mentioned for your information that these loans were issued by way of financial help and assistance to remove the dearth of housing the provision of which was the responsibility of the Govt. You can kindly imagine that such a proposition can never fit in the shape of things to come. This is a device to earn ~~from~~ fabulous profits in a scheme of welfare for the people. I hope this information alone will convince you that the Govt. is profiteering in a welfare scheme and there is no justification whatsoever for charging compound interest. Such welfare schemes envisage a sort of subsidy which apart, the scheme is meant to fetch fabulous amounts by way of compound interest. I shall be grateful if you would kindly grant me an interview to explain things personally and to show you the correspondence and the Press cuttings, etc. You can take up this matter in the Parliament as it touches a large number of loanees including widows. Any date and time convenient to you may kindly be intimated to me as early as possible.

To. Shri A. Dange,
4, Ashoka Road,
New Delhi - 1

Yours faithfully,

Bishan Sarupa Saxena
(Bishan Sarupa Saxena).