Date:

From,

A. Balavardhan Reddy

S/o A. Ram Reddy,

Aged 35 years,

Occ: Private Employee

R/o H.No.1-21, Yellareddypalle Village,

Koilkonda Mandal, Mahabubnagar District.

To,

Mr. S. Govaradhan Reddy

S/o Narayan Reddy,

Aged 53 years,

Occ: Business

R/o Suraram Village, Koilkonda Mandal,

Mahabubnagar District,

Presently residing at:

Code No.13, H.No.3-3-5/81/C/1/C,

Srinagar Colony, Ramanthapur, Hyderabad.

Sub: Legal Notice for non-payment of chit amount alongwith interest and compensation.

Dear Sir,

I, Mr. A. Balavardhan Reddy S/o A. Ram Reddy, aged 35 years, residing at H.No.1-21, Yellareddypalle Village, Koilkonda Mandal, Mahabubnagar District, Telangana (hereinafter referred to as the ‘Complainant’) am sending you this legal notice.

This is to bring to your kind notice that you had approached me to join your chit fund scheme of Rs. 5,00,000 with 25 members, monthly contribution of Rs. 20,000 and duration of 25 months starting from October 2015. I was allotted Ticket No. 3 in the scheme vide Chit No. A1.

I regularly paid all the monthly subscriptions till October 2017 when the chit period ended. As the last member, I was entitled to receive the chit amount of Rs. 4,75,000 after deduction of 5% commission. However, you kept delaying and postponing the payment on frivolous grounds and only in August 2020 executed a Promissory Note for Rs. 7,50,000 admitting your liability to pay the chit amount alongwith interest @24% p.a. from November 2017 till August 2020.

You also promised to make the payment within 3 months as per the Promissory Note. However, despite my repeated oral and written requests, you have failed to make the payment and discharged your contractual and statutory obligations.

By not making the payment of the chit amount alongwith interest as per the Promissory Note, you have committed the following breaches:

1. Deficiency in service as a chit fund operator.

2. Unfair trade practice by repeatedly assuring payment and then avoiding it.

3. Breach of contract by not honoring the Promissory Note executed by you.

4. Causing immense mental harassment and financial loss to me.

In light of the above submission, you are called upon to do the following within 15 days of receiving this legal notice:

1. Pay the chit amount of Rs. 4,75,000 to me alongwith interest @24% p.a. from November 2017 till the date of payment.

2. Pay compensation of Rs. 2,00,000 for deficiency in service, unfair trade practice and for mental harassment and agony caused to me.

3. Pay Rs. 50,000 towards costs of sending this legal notice.

Please note that if you fail to comply with the above demands within the stipulated period, I shall be constrained to initiate appropriate legal proceedings against you under the Consumer Protection Act, 2019 including filing a consumer complaint before the District Consumer Disputes Redressal Commission to enforce my lawful rights and recover the amounts due to me.

In such an event, the costs of the litigation shall also be recovered from you.

Thanking you,

Yours faithfully,

A. Balavardhan Reddy

Complainant