LEGAL NOTICE FOR TERMINATION OF CONTRACT

Illustrative Indian-law template for commercial / service / vendor agreements

Important: There is no universal 15-day or 30-day termination notice period for every contract. Use the notice period, cure process, grounds and service method in the signed agreement or applicable statute. Do not state that a contract stands terminated unless the right to terminate has accrued and the required procedure is followed.

A. Draft notice

BY THE CONTRACTUALLY PRESCRIBED MODE / TRACKABLE POST / COURIER / EMAIL, AS APPLICABLE

Date: [DD/MM/YYYY]

To:
[Full legal name of contracting party]
[Registered office / contractual notice address]
[Email address, if recognised under the agreement]

Subject: Notice under Clause [●] of the [name of agreement] dated [●] concerning [breach / cure / termination]

Sir / Madam,

1. That I issue this notice under instructions from and on behalf of [full name and address of client] (hereinafter, “my client”).

2. That my client and you entered into [name of agreement] dated [date] (“Agreement”), under which [briefly state the material obligations of each party and identify relevant clauses].

3. That my client has duly performed / remained ready and willing to perform its corresponding obligations, including [payments, supplies, approvals, access or other performance], as evidenced by [identify records].

4. That you have committed the following specific defaults: [set out each breach, relevant clause, date, event and supporting record separately].

5. That Clause [●] of the Agreement provides the following procedure for notice, cure and termination: [accurately reproduce or summarise the clause, including the notice address, mode, cure period and any escalation step].

6. That by communications dated [●], my client called upon you to remedy the above defaults. [State whether the cure period has expired, whether the breach remains uncured, and any response received. If this is a termination-for-convenience notice, replace this paragraph with the exact contractual right and notice period relied upon.]

7. That in view of [the uncured material breach / contractual termination-for-convenience right / expiry of term / other legally recognised ground], my client hereby [calls upon you to cure the breach by [date] / gives notice that the Agreement shall stand terminated with effect from [date], after expiry of the applicable notice period].

8. That by the effective termination date, you are required to: (a) cease the activities covered by the Agreement; (b) return the property, records, credentials and confidential information specified in Clause [●]; (c) provide a final statement of account; (d) pay the admitted and properly quantified outstanding amount of ■[●]; and (e) complete the transition / handover obligations under Clause [●].

9. That the following obligations are stated to survive termination under the Agreement or by their nature: [confidentiality, intellectual property, data return / deletion, indemnity, accrued payment obligations, dispute resolution and other surviving clauses].

10. That my client reserves the right to claim legally recoverable damages, unpaid sums, interest where contractually or statutorily justified, and other remedies available under the Agreement and applicable law, including Sections 73 to 75 of the Indian Contract Act, 1872, subject to proof, mitigation, limitation and the terms of the Agreement.

11. That where the Agreement contains an arbitration clause, this notice [does / does not] also invoke arbitration under Section 21 of the Arbitration and Conciliation Act, 1996. [If invoking arbitration, separately identify the disputes and follow the contractual appointment procedure.]

12. That all rights and remedies are reserved. Nothing in this notice shall be treated as a waiver, novation, settlement or admission unless expressly recorded in a separate written instrument signed by the parties.

Yours faithfully,

[Name of Advocate / authorised representative]
[Address and contact details]
[Enrolment particulars, if issued by an advocate]

B. Termination-readiness checklist

Check	Documents / details to verify
Correct parties	Exact legal names, entity type, authority of signatory and contractual notice addresses.
Termination clause	Grounds, termination for cause / convenience, notice period, cure period and effective-date calculation.
Breach evidence	Clause-wise defaults, dates, emails, inspection reports, delivery / service records and prior notices.
Your performance	Payments, supplies, approvals, access, cooperation and other reciprocal obligations.
Cure process	Whether a cure notice is mandatory, how it must be served and whether the full cure period expired.
Termination consequences	Handover, return of property, final accounts, transition assistance, accrued payments and survival clauses.
Damages	Causation, reasonable foreseeability, supporting calculation, mitigation and contractual caps / exclusions.
Dispute resolution	Escalation, negotiation, mediation, arbitration clause, seat, venue and Section 21 invocation requirements.
Limitation	Article 55 for compensation for breach, Article 54 for specific performance, or another applicable provision.
Special statute	Check if the contract concerns lease / tenancy, employment, agency, franchise, regulated services or a sector-specific arrangement.
Service proof	Signed final notice, prescribed mode, dispatch receipt, tracking, delivery record and email headers where relevant.

C. Legal cautions

• **Contractual procedure controls.** Check the full agreement and amendments. A cure notice, escalation step or specified delivery method may be a condition precedent to termination.

• **Sections 39 and 55, Contract Act.** Section 39 concerns refusal or disabling oneself from performing a promise wholly. Section 55 addresses failure to perform at the fixed time and the consequences where time was intended to be essential; its provisos may affect the right to claim compensation or avoid the contract.

• **Sections 62 and 63.** A contract may be novated, rescinded or altered by agreement; a promisee may remit performance or extend time. Do not treat a proposed settlement or extension as legally ineffective without reviewing the communications.

• **Damages.** Sections 73 and 74 govern compensation for breach and stipulated sums / penalties. The amount written in a contract is not automatically recoverable in full; reasonable compensation, proof and mitigation matter. Section 75 concerns compensation to a party rightfully rescinding a contract.

• **Specific performance.** Section 14(d) of the Specific Relief Act excludes contracts which are in their nature determinable from specific enforcement. A claim for damages may remain available. The remedy depends on the contract and facts.

• **Limitation.** Article 55 generally provides three years for compensation for breach, running from the relevant breach (or successive / continuing breach as stated in the Article). A notice does not itself stop limitation.

• **Separate statutory regimes.** Employment, leases, agency, consumer services and regulated contracts may be governed by additional statutes. This template is not a tenancy notice, employment termination notice or statutory notice form.

D. Primary legal references

• Indian Contract Act, 1872: Sections 37, 39, 55, 62, 63 and 73–75. India Code: https://www.indiacode.nic.in/handle/123456789/12845

• Specific Relief Act, 1963: Sections 10, 14 and 41. India Code PDF: https://www.indiacode.nic.in/bitstream/123456789/1583/7/A1963-47.pdf

• Limitation Act, 1963: Schedule Articles 54, 55 and 59. India Code: https://www.indiacode.nic.in/bitstream/123456789/1565/5/A1963-36.pdf

• Arbitration and Conciliation Act, 1996: Sections 21 and 43. India Code PDF: https://www.indiacode.nic.in/bitstream/123456789/1978/1/A1996-26.pdf

• Indian Oil Corporation Ltd. v. Amritsar Gas Service, (1991) 1 SCC 533, Supreme Court, 19 November 1990: https://api.sci.gov.in/jonew/judis/7335.pdf

• K.S. Manjunath v. Moorasavirappa @ Muttanna Chennappa Batil, 2025 INSC 1298, Supreme Court, 10 November 2025: https://api.sci.gov.in/supremecourt/2017/30584/30584_2017_8_1502_65581_Judgement_10-Nov-2025.pdf

Disclaimer: This is a general illustrative template for educational use, not a ready-to-send legal notice or legal opinion. The grounds, cure period, termination date, service mode, statutory requirements and remedies must be checked against the actual contract and facts. Obtain case-specific legal review before dispatch, particularly where immediate termination, forfeiture, injunction or arbitration is contemplated.