LEGAL NOTICE FOR BREACH OF SHARE PURCHASE AGREEMENT

India • Unpaid consideration • Closing obligations • Share transfer

Important: This is a general sample, not a transaction-specific opinion. Review the executed SPA, amendments, Articles of Association, conditions precedent, transfer mode (physical/demat), applicable regulatory approvals, arbitration clause and limitation before service. A notice alone does not cancel a transfer or establish share ownership.

From	[Seller / Purchaser / other contracting party] [Address] [Email / phone]
Through	[Advocate name and office details]
Date	[DD/MM/YYYY]
To	[Defaulting party name / entity] [Full address]
Copy (if appropriate)	[Company / escrow agent / other party only if contractually and legally appropriate]
Reference	[Notice reference]

Subject: Notice of breach of Share Purchase Agreement dated [date] — demand to cure / complete / pay

Sir / Madam,

Under instructions from and on behalf of my client [name], I issue this notice regarding the Share Purchase Agreement / share sale agreement dated [date] ("SPA") concerning [company name] and [number / class] shares ("Sale Shares").

1. That the SPA was entered into between [seller] and [purchaser] for the sale and purchase of [number / class] shares in [company] for aggregate consideration of ■[amount], subject to the agreed conditions precedent and closing steps.

2. That clauses [numbers] required [identify the precise obligation: payment of consideration or instalment; escrow release; execution/delivery of transfer forms or demat instructions; completion of closing conditions; delivery of certificates; representations, warranties or covenants]. The due date / closing milestone was [date/event].

3. That my client has performed, or remains ready and willing to perform, the obligations required from my client, including [payment / delivery / approvals / documents]. The relevant supporting records are listed in Annexure A.

4. That you have breached the SPA by [specific default: non-payment or short payment; failure to complete closing; refusal to execute/deliver transfer documents; unauthorised transfer or encumbrance; breach of a specified warranty, covenant or indemnity]. The default arose on [date] and remains uncured despite [reminders / prior correspondence].

5. That the unpaid / disputed consideration is ■[amount], calculated as [principal / milestone / adjustment / escrow release]. Any claim for interest or damages is separately stated, with its contractual or statutory basis and calculation. My client does not claim remote or unparticularised losses.

6. That the SPA must be read with the company's Articles of Association and applicable company law. Sections 56, 58 and 59 of the Companies Act, 2013 may be relevant to transfer documentation, refusal of registration and rectification of the register, depending on the company, holding mode and relief sought. Contractual rights do not automatically override statutory procedures or bind a company that is not a party.

7. That the breach may give rise to remedies under the SPA and law, including completion / performance, recovery of amounts due, compensation under Sections 73–75 of the Indian Contract Act, 1872, rescission where legally available, or appropriate interim protection. Specific performance is governed by the Specific Relief Act, including Sections 10, 14 and 16, and depends on the contract and facts.

8. That if the SPA contains an arbitration clause, the dispute-resolution procedure must be followed. This communication is intended as a [contractual cure / demand notice] only. It is not a notice invoking arbitration under Section 21 of the Arbitration and Conciliation Act, 1996 unless expressly stated and served in accordance with the clause.

9. That in Bhavik Koladiya v. Ashneer Grover & Anr., CS(COMM) 28/2023, judgment dated 30 April 2024 (2024:DHC:3393), the Delhi High Court granted interim protection in a share-sale dispute involving alleged non-payment, based on the agreement and evidence before it. The decision concerned interim relief and is fact-specific; it does not automatically determine ownership or the outcome of another transaction.

10. You are called upon, within [15 / 30] days of receipt of this notice or within the contractual cure period (whichever governs), to: (a) cure the identified breach by [specific action]; (b) pay / release ■[amount], if due; (c) complete the agreed closing steps and execute / deliver the identified documents; (d) refrain from acts prohibited by the SPA or any court order; (e) provide a reasoned written response with supporting records; and (f) preserve all transaction, payment, board, shareholder and communication records.

11. That if you fail to comply, my client reserves the right to pursue remedies available under the SPA and law, including arbitration or civil proceedings for performance, recovery, damages, rescission, declaratory or injunctive relief, subject to jurisdiction, limitation and the dispute-resolution clause. No right or remedy is waived by this notice.

12. That limitation must be assessed separately for each relief and from the applicable accrual date. Articles 54 and 55 of the Limitation Act, 1963 may be relevant to specific performance and compensation for breach, respectively. A demand notice or negotiation does not automatically stop limitation. This notice is issued without prejudice to all rights and remedies.

You are requested to confirm compliance / your position in writing within the period stated above.

Yours faithfully,
[Advocate name]
Advocate for [client name]
[Enrolment No. / office / contact]

Annexure A — Transaction and breach particulars

SPA / amendments	[Date, parties, amendments, schedules and side letters]
Company / Sale Shares	[Company name, CIN if known, class and number of shares]
Consideration	[Agreed price, amount paid, balance, due dates, escrow details]
Closing conditions	[Closing date, conditions precedent, approvals, deliverables]
Specific breach	[Clause number, factual default and date]
Communications	[Emails, reminders, notices, acknowledgments, minutes]
Relief demanded	[Cure / completion / payment / documents / other]

Suggested enclosures: executed SPA and amendments; relevant Articles of Association; payment / escrow proof; share certificates, Form SH-4 or demat records; closing and approval records; prior communications and evidence of breach.

Limitation note: Article 54 generally prescribes three years for specific performance from the date fixed for performance or, if none is fixed, when refusal becomes known. Article 55 generally prescribes three years for compensation for breach from the breach, subject to the claim and statutory wording. Obtain transaction-specific advice promptly.

General drafting aid only. Verify parties, recipient, service method, governing law, jurisdiction, regulatory approvals and company records before sending.