

Legal Notice under Section 138

To,

Dated:

Mr. ABC,

Dear Sir,

Under the instruction and authority from my client Mr. A(here referred to as my 'client'), I do hereby serve upon you the following notice of demand under Section 138 of the Negotiable Instrument Act, 1881:

- a) That my client knows you, the notice, from the last 4-5 years and on that account you had gained the faith and confidence of my client, that you demanded a friendly loan of Rs.4,00,000 from my client in the month of May. My client provided you the said amount.
- b) That earlier, you issued a cheque dated 27th June, 2015 for Rs. 2,50,000 drawn on *****, in order to discharge your partial liability. At the time of issuing the cheque, you assured my client that the same is good for value and will be honoured as and when presented.
- c) That when the aforesaid cheque was presented, for encashment by my client to his banker the same was returned unpaid by the banker with the reason that there was "Insufficient Fund". My client informed you about it through telephone.
- d) Despite various reminders, you failed to make payment to my client. You tried to avoid the matter and started to ignore my client. Since my client is left with no other option but to present you with legal notice.

- e) That you have failed to comply with the provisions of the law and also failed to discharge your liability from your account and the same cheque was dishonored intentionally and willfully.
- f) That, either you discharge your liability towards my client in next 15 days or criminal and civil charges will be framed against you, and you can be punished for imprisonment which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both

Advocate