

Q.2 → Explain negotiable instrument act 1881 in brief?

Ans → Negotiable instrument:- The term negotiable instrument literally means "a written document transferable by delivery".

The draft then prepared fourth time was introduced in the Council that was passed into law in 1881, being the Negotiable instrument Act, 1881.

Credit instrument used in business consist of:

- ① Negotiable instrument
- ② Non-negotiable instrument

There are the following nature/characteristics of negotiable instrument

- ① Writing and signature
- ② money
- ③ Freely transferable
- ④ Notice
- ⑤ Presumption
- ⑥ Special procedure
- ⑦ popularity
- ⑧ Evidence