

46) NEGOTIABLE INSTRUMENT ACT 1881

A negotiable ~~act~~ instrument act was enacted in India, in 1881. Prior to its enactment, the provision of the English Negotiable Instruments act were applicable in India and the present Act is also based on the English act with certain modification. It extended to the whole of India except the state of J & K.

According to section 13 of negotiable instrument means a promissory note, bill of exchange or cheque payable either to order or to bearer.

- Repeal of enactments - [Rep. by the amending act, 1891 (12 of 1891), sec 2 and Sch I].
- Interpretation clause - In this Act - 1 [***] "Bankers" - 2 ["bankers" includes any person acting as a banker and any post office saving bank]. 3 [***].
- "Promissory note" - A "Promissory note" is an instrument in writing (not being a bank-note or a currency-note) containing an unconditional undertaking signed by the maker, to pay a certain sum of money only to, or to order of, a certain person or to the bearer of the instrument in following.
 - "I promise to pay B or order Rs 500."
 - "Mr. B.I.O.U. Rs 1000"
 - "I promise to pay B Rs 500 seven days after my marriage with C."