

## Kinds of Bill Exchange

Documentation Bill :- In this, the bill of exchange is supported by the relevant documents that confirm the genuineness of sale or transaction that took place b/w the seller and buyer.

Demand Bill :- This bill is payable when it is demanded. The bill does not have a fixed date of payments, therefore, the bill has to be cleared.

Usance Bill :- It is a time period bill which means the payments has to be made within the given time period and time.

Inland Bill :- An Inland bill is payable only in one country and not in any other foreign country. This bill is opposite to foreign bill.

- Clean Bill :- This bill does not have any proof of a documents, so the interests is comparatively higher than the other bills.
- Foreign Bill :- A bill that can be paid outside India is termed as a foreign bill.
- Accommodation bill :- A bill that is sponsored, drawn, accepted without any conditions is known as an accommodation bill.
- Trade Bill :- This kind of bill is specially created only to trade.
- Supply bill :- This bill that is withdrawn by the suppliers or contractor from the gov. department is known as supply bill.

## Hindus

Mundi / Hundee is a financial instrument that developed in medieval India for use in trade and credit transaction.

Hundis are used as a form of remittance instrument to transfer money from place to place, as a form of credit instrument or IOU to borrow money and as a bill of exchange in trade transaction.

## Cheque

A cheque, or check is a document that orders a bank to pay a specific amount of money from a person acc. to the person in whose name the cheque has been issued.

## Types of cheque

- ① Open cheque.
- ② Bearer cheque.
- ③ Order cheque.
- ④ Crossed cheque.
- ⑤ Self cheque
- ⑥ Bank cheque
- ⑦ State cheque.
- ⑧ Post-dated cheque.
- ⑨ Ante-dated cheque.
- ⑩ Bankers cheque.
- ⑪ Cancelled cheque.
- ⑫ Gift cheque
- ⑬ Multilated cheque.

## Feature of cheque

- A cheque should be in writing and properly signed by drawer.
- A cheque contains an unconditional order.
- A cheque issued and specified banker only.
- Amount should be clearly mentioned in both figures and words.
- The payee of a cheque is always certain.