

## ACT NO. VIII OF 1919.

[PASSED BY THE INDIAN LEGISLATIVE COUNCIL.]

(Received the assent of the Governor General on the 19th March, 1919.)

### An Act further to amend the Negotiable Instruments Act, 1881.

WHEREAS it is expedient further to amend the Negotiable Instruments Act, 1881; It is hereby enacted as follows:—

Short title

1. This Act may be called the Negotiable Instruments (Amendment) Act, 1919.

Amendment of section 9, Act XXVI of 1881.

2. In section 9 of the Negotiable Instruments Act, 1881, (hereinafter called the said Act), for the words "payable to, or to the order of, a payee," the words "payable to order" shall be substituted.

Amendment of section 13, Act XXVI of 1881.

3. For sub-section (1) of section 13 of the said Act, the following sub-section shall be substituted, namely:—

"(1) A 'negotiable instrument' means a promissory note, bill of exchange or cheque payable either to order or to bearer.

*Explanation (i).*—A promissory note, bill of exchange or cheque is payable to order which is expressed to be so payable or which is expressed to be payable to a particular person, and does not contain words prohibiting transfer or indicating an intention that it shall not be transferable.

*Explanation (ii).*—A promissory note, bill of exchange or cheque is payable to bearer which is expressed to be so payable or on which the only or last indorsement is an indorsement in blank.

*Explanation (iii)*

*Explanation (iii).*—Where a promissory note, bill of exchange or cheque, either originally or by indorsement, is expressed to be payable to the order of a specified person, and not to him or his order, it is nevertheless payable to him or his order at his option.”

4. In section 48 of the said Act, for the words “payable to the order of a specified person, or to a specified person or order,” the words “payable to order” shall be substituted. Amendment of section 48, Act XXVI of 1881.

5. In section 121 of the said Act, for the words “payable to, or to the order of, a specified person,” the words “payable to order” shall be substituted. Amendment of section 121, Act XXVI of 1881.