



**Negotiable Instruments ACT,  
1881 (Part - 1)**

**[ GLOSSARY ]**

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**ACT, 1881 (Part - 1)**

## **credits**

### **Subject Co-ordinator**

Dr. Kalpana C. Satija  
Associate Professor,  
Sardar Patel Institute of Economics & Research,  
Ahmedabad.

### **Subject Expert**

Himani H. Sardar

### **Technical Asst. & Sound Recording**

Smita Bhatt  
Archana Patel

### **Editor**

Akash Choudhary

### **Floor**

Hemant Upadhyaya

### **Multimedia**

Gaurang Sondarva

### **Camera**

Mukesh Soni

**Technician**

Mukesh Soni

**Helper & Support**

Bharat Chauhan

Jagdish Jadeja

**Graphic Artists**

Dilip Dave

Akash Choudhary

**Production Assistant & Editing Concept**

Mukesh Soni

**Producer**

Dinesh Goswami

## **GLOSSARY**

### **Acknowledgment:**

Generally to admit something, whether bad, good or indifferent.

### **Bearer:**

One who is the holder or possessor of an instrument that is negotiable—for example, a check, a draft, or a note—and upon which a specific payee is not designated.

### **Consideration:**

Something of value given by both parties to a contract that induces them to enter into the agreement to exchange mutual performances.

### **Endorsement:**

An endorsement is a legal term that refers to the signing of a document which allows for the legal transfer of a negotiable from one party to another.

### **Indorse:**

The person in whose favour an endorsement is made

**Requisites:**

Absolutely essentials

**Undertaking:**

A written promise offered as security for the performance of a particular act required in a legal action.