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**Negotiable Instrument Act 1881 Chapter VI - Of  
payment and interest**

**78. To whom payment should be made:**

Subject to the provisions of section 82, clause (c), payment of the amount due on a promissory note, bill of exchange or cheque must, in order to discharge the maker or acceptor, be made to the holder of the instrument.

**79. Interest when rate specified:**

When interest at a specified rate is expressly made payable on a promissory note or bill of exchange, interest shall be calculated at the rate specified, on the amount of the principal money due thereon, from the date of the instrument, until tender or realization of such amount, or until such date after the institution of a suit to recover such amount as the court directs.

**80. Interest when no rate specified:**

When no rate of interest is specified in the instrument, interest on the amount due thereon shall, notwithstanding any agreement relating to interest between any parties to the instrument, be calculated at the rate of eighteen per centum per annum, from the date at which the same ought to have been paid by the party charged, until tender or realization of the amount due thereon, or until such date after the institution of a suit to recover such amount as the Court directs.

**Explanation.--** When the party charged is the indorser of an instrument dishonoured by non-payment, he is liable to pay

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interest only from the time that he receives notice of the dishonour.

**81. Delivery of instrument on payment or indemnity in case of loss:**

(1) Any person liable to pay, and called upon by the holder thereof to pay, the amount due on a promissory note, bill of exchange or cheque is before payment entitled to have it shown, and is on payment entitled to have it delivered up, to hi m, or if the instrument is lost or cannot be produced, to be indemnified against any further claim thereon against hi m.

(2) Where the cheque is an electronic image of a truncated cheque, even after the payment the banker who received the payment shall be entitled to retain the truncated cheque.

(3) A certificate issued on the foot of the printout of the electronic image of a truncated cheque by the banker who paid the instrument, shall be prima facie proof of such payment.

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