

GOVERNMENT SECURITIES ACT, 2006

Section 23 - Period of limitation of Government's liability in respect of interest

(1) Where no shorter period of limitation is fixed by any law for the time being in force, the liability of the Government in respect of any interest payment due on a Government security shall terminate on the expiry of six years from the date on which the amount due by way of interest became payable:

Provided that the Government may allow a bonafide claim for payment of interest after the expiry of the period of six years in those cases where the holders of securities could not prefer their claims within the said period of six years.

(2) Notwithstanding anything contained in sub-section (1), the Bank may specify the securities in respect of which, the circumstances under which, and the terms and conditions subject to which, interest may be paid even after the expiry of the period specified in the said sub-section.
