

**No 8(18)/ EII(A)/2010  
Government of India  
Ministry of Finance  
Department of Expenditure**

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**North Block,  
New Delhi, the 25<sup>th</sup> June, 2010**

**OFFICE MEMORANDUM**

**Subject: Approval of Finance Ministry for sale/ grant/ assignment/ allocation/ disposal of Govt. assets or assets created from Govt. funds.**

Ministries and Departments of the Government of India and autonomous bodies under their administrative control are custodians of assets and resources owned by the Government or created from Government funds. The General Financial Rules, 2005 (GFRs) in Rule 28 provides as follows:-

**“Powers in regard to certain special matters:** Except in pursuance of the general delegation made by, or with the approval of the President, a subordinate authority shall not, without the previous consent of the Finance Ministry, issue an order which-

- i) Involves any grant of land, or assignment of revenue, or concession, grant, lease or licence of mineral or forest rights, or rights to water power or any easement or privilege of such concessions, or
- ii) Involves relinquishment of revenue in any way.”

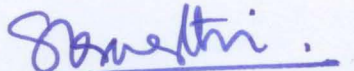
2. Further, Rule 278 of GFRs in relation to Government land provides as follows:-

“Save as otherwise provided in any law, rule or order relating to the transfer of Government land, no land belonging to the Government shall be sold to a local authority, body or any person or institution without previous sanction of the Government.”

3. The aforementioned provisions of the GFRs are hereby reiterated for strict compliance. In addition, it may be ensured that express approval of the Finance Ministry is obtained for any sale/ grant/ assignment/ allocation/ or disposal in any form of Govt. assets or resources or assets/ resources created from Govt. funds by autonomous bodies except when the transaction is pursuant to provisions of any law; approved policy; order, rule or regulation issued with the approval of the Finance Ministry. Such approval would not be required if the transaction is to be made as part of a scheme approved by the competent authority or is in the normal course of approved activities of autonomous bodies. This would also not apply to the disposal of surplus, obsolete or unserviceable goods as provided for in Rules 196 to 202 of GFRs.

4. These provisions may be brought to the notice of all concerned including Heads of autonomous bodies, for strict compliance.

5. This issues with the approval of Secretary (Expenditure).

  
(S.Krishnamoorthi)

**Under Secretary to the Govt of India**

**To**

**All Ministries and Departments  
All Financial Advisers**