



Policy Guidelines

For

Condemnation & Disposal of ICT Products/Equipment



Department of Information Technology
Government of Goa

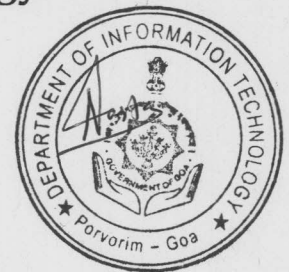
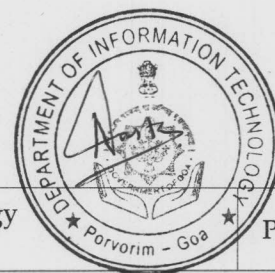




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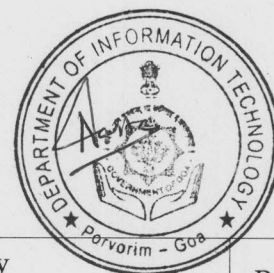
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List of Abbreviations used:

AMC	Annual Maintenance Contract
BER	Beyond Economic Repair
DACR	Deposit at call Receipt
DoIT	Department of Information Technology
GoG	Government of Goa
ICT	Information & Communication Technology
NIC	National Informatics Centre
ODF	Obsolete Declaration Form
OEM	Original Equipment Manufacturer
SCC	Standing Condemnation Committee
SNA	System and Network Administrator

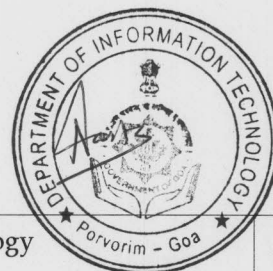




1. Background

The Department of Information Technology was created, with an aim of Promoting and Developing the IT Industry in planned manner, and in order to keep pace with rapidly growing IT Industry.

The Department of Information Technology has been created for evolving suitable IT programme with the basic philosophy to realize the dream of taking the benefits of Information and Communication Technology (ICT) to the masses of Goa. Thus, aims towards creating an e-Citizen for all transactions and for all purpose and making Goa as an “**Intelligent State**” of the decades.





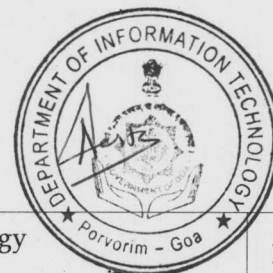
2. Objective of the Policy

“The objective of this policy is to design a quick, economic and efficient process for the disposal of condemned ICT Products/Equipment for GoG”.

In the backdrop of resurgent growth of the IT infrastructure in Goa and greater reliance on ICT for office automation, commitment to eco-responsibility is envisaged for the economy, society, and the environment.

Keeping in view the average life period of ICT product to be 5 years depending upon its intensity of usage, serviceability, technology and other related factors, many ICT Products/Equipment become unusable. In a similar manner, ICT Products/Equipment in Government Departments across the State have become either non-repairable or beyond economical repairs or technologically obsolete.

It is felt that a Policy must in place to address the concerns for disposal of condemned ICT Products/Equipment in various departments of GoG.





3. Guidelines for Condemnation & Disposal of ICT Products/Equipment

3.1 ICT Products/Equipment

ICT Products/Equipment should include the following items:

- PCs
- Servers
- Laptops
- Printers
- Scanners
- UPSs
- Data Communication Equipment
- Dumb Terminals
- Package Software

3.2 Applicable to

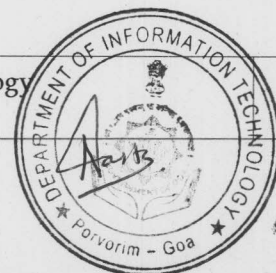
- All Government Departments under GoG
- All Autonomous Bodies/Local Bodies under GoG
- All PSU's under GoG

3.3 Grounds for Condemnation

The ICT Products/Equipment can be condemned on following grounds:

3.3.1 Technically obsolete

- 1) Completed 5 years life-span and not in working condition.
- 2) Completed 5 years life-span and technology outdated affecting performance and output that is expected out of it.





- 3) Package Software can only be condemned by declaring it as technically obsolete when no more updates or support are available from OEM.

3.3.2 Beyond Economical Repairs

ICT Products/Equipment can be declared BER when these Products/Equipment cannot be upgraded or maintained economically / warrant extensive repairs and replacement of sub-assemblies / accessories and the combined cost of which exceeds certain percentage (50%) of the current cost of an equivalent system. The same can be ascertained from the vendor who is giving AMC support.

3.3.3 Non-repairable

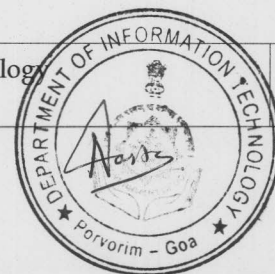
ICT Products/Equipment can be condemned due to non-availability of spare-parts.

3.3.4 Physically damaged

ICT Products/Equipment that have been damaged beyond repair due to fire or any other reason beyond human control can be Condemned as Physically Damaged.

3.4 Mode of Condemnation

The mode of Condemnation may be done either by Buyback or Disposal, as decided by DoIT through SCC.





3.4.1 Buyback

If SCC decides to choose Buyback mode of Condemnation, the proposal for purchasing new ICT Products/Equipment under buyback mode will be send by the concerned Department to DoIT for obtaining NOC. The Buyback rates for specific hardware as finalized in the ongoing Rate Contract shall be applicable. If the Buyback rates are not specified in the Rate Contract then the SCC will decide the Buyback rates based on their assessment, after comparing similar Rate Contract in the past and in consultation with the Vendor.

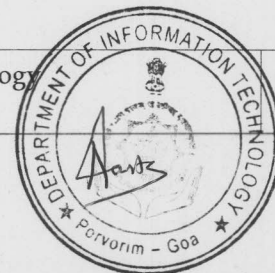
3.4.2 Disposal

If SCC decides to choose disposal mode of Condemnation, the concerned Department can dispose it through Tender, Auction or Scrap depending on assessed residual value of the ICT Products/Equipment and as per the procedure laid down in General Finance Rules 2005 as given below:

- 1) For the Products/Equipment with residual value above Rupees Two Lakh, the Department can dispose it through Advertised Tender or Public Auction.
- 2) For Products/Equipment with residual value less than Rupees Two Lakh, the mode of disposal will be determined by Departments Competent Authority, keeping in view the necessity to avoid accumulation of such Products/Equipment and consequential blockage of space and also the deterioration in value of Products/Equipment to be disposed of.

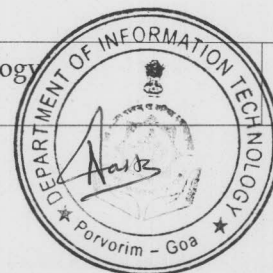
3.4.2.1 Process of Disposal through Advertised Tender

- (1) The broad steps to be adopted for this purpose are as follows:
 - a) Preparation of bidding documents.





- b) Invitation of tender for the condemned ICT Products/Equipment to be sold.
 - c) Opening of bids.
 - d) Analysis and evaluation of bids received.
 - e) Selection of highest responsive bidder.
 - f) Collection of sale value from the selected bidder.
 - g) Issue of sale release order to the selected bidder.
 - h) Release of the condemned ICT Products/Equipment that were sold to the selected bidder.
 - i) Return of bid security to the unsuccessful bidders.
- (2) The important aspects to be kept in view while disposing the condemned ICT Products/Equipment through advertised tender are as under :
- a) The basic principle for sale of condemned ICT Products/Equipment through advertised tender is ensuring transparency, competition, fairness and elimination of discretion. Wide publicity should be ensured of the sale plan and the Condemned ICT Products/Equipment to be sold. All the required terms and conditions of sale are to be incorporated in the bidding document comprehensively in plain and simple language. Applicability of taxes, as relevant, should be clearly stated in the document.
 - b) The bidding document should also indicate the location and present condition of the condemned ICT Products/Equipment to be sold so that the bidders can inspect the condemned ICT Products/Equipment before bidding.
 - c) The bidders should be asked to furnish bid security along with their bids. The amount of bid security should ordinarily be ten per cent. of the assessed or reserved price of the



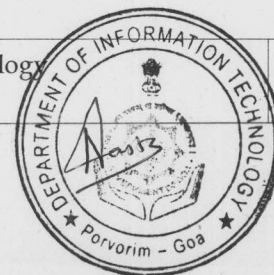


condemned ICT Products/Equipment. The exact bid security amount should be indicated in the bidding document.

- d) The bid of the highest acceptable responsive bidder should normally be accepted. There should normally be no post tender negotiations. If at all negotiations are warranted under exceptional circumstances, then it can be with H1 (Highest tenderer) if required.
- e) In case the total quantity to be disposed of cannot be taken up by the highest acceptable bidder, the remaining quantity may be offered to the next higher bidder(s) at the price offered by the highest acceptable bidder.
- f) Full payment, i.e. the residual amount after adjusting the bid security should be obtained from the successful bidder before releasing the condemned ICT Products/Equipment.
- g) In case the selected bidder does not show interest in lifting the sold condemned ICT Products/Equipment, the bid security should be forfeited and other actions initiated including re-sale of the condemned ICT Products/Equipment in question at the risk and cost of the defaulter, after obtaining legal advice.

3.4.2.2 Process of disposal through Auction

- (1) The Department may undertake auction of condemned ICT Products/Equipment to be disposed of either directly or through approved auctioneers.
- (2) The basic principles to be followed here are similar to those applicable for disposal through advertised tender so as to ensure transparency, competition, fairness and elimination of discretion. The auction plan including details of the condemned



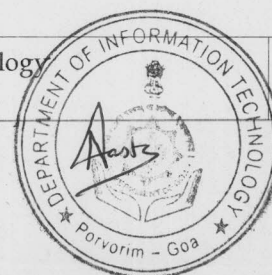


ICT Products/Equipment to be auctioned and their location, applicable terms and conditions of the sale etc. should be given wide publicity.

- (3) While starting the auction process, the condition and location of the condemned ICT Products/Equipment to be auctioned, applicable terms and conditions of sale etc., should be announced again for the benefit of the assembled bidders.
- (4) During the auction process, acceptance or rejection of a bid should be announced immediately. If a bid is accepted, earnest money (not less than twenty-five percent of the bid value) should immediately be taken on the spot from the successful bidder either in cash or in the form of Deposit-at-Call-Receipt (DACR), drawn in favor of the Department selling the condemned ICT Products/Equipment.
- (5) The condemned ICT Products/Equipment should be handed over to the successful bidder only after receiving the balance payment.
- (6) The composition of the auction team will be decided by the competent authority. The team should however include an Officer of the Internal Finance Wing of the Department.
- (7) A sale account should be prepared for goods disposed of, in **Annexure 1** duly signed by the Officials who supervised the sale or auction

3.4.2.3 Process of disposal at Scrap value or by other modes

- (1) If the Department is unable to sell condemned ICT Products/Equipment in spite of its attempts through auction and advertised tender, it may dispose-off the same at its scrap value with the approval of the competent authority in consultation with Finance division.

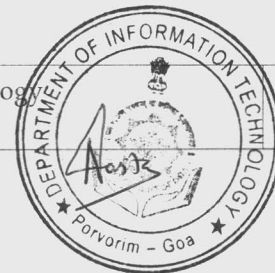




- (2) In case the Department is unable to sell condemned ICT Products/Equipment even at its scrap value, it may adopt any other mode of disposal including destruction of the Products/Equipment in an eco-friendly manner so as to avoid any health hazard and / or environmental pollution and also the possibility of misuse of such Products/Equipment.

3.5 Responsibilities of Department

- (1) The competent authority should constitute a Condemnation Committee at departmental level comprising of SNA, Store In charge & Account Officer as members to declare ICT Products/Equipment as surplus or obsolete or unserviceable.
- (2) Condemnation Committee of the department will prepare ICT Products/Equipment condemnation report which should be individually numbered having Products/Equipment description including Make, Model, Serial Number, Asset Register Number, Purchase Date, Purchase Price, Reason for Condemnation and additional information, if any (**Refer Annexure 2**).
- (3) All procedure and rules of the Government on maintenance of records for condemnation of non-consumable items will be adhered to in these cases.
- (4) The Condemnation report so prepared by Condemnation Committee of the Department will be reviewed and approved by SCC. The Condemnation will be done only after approval is obtained from SCC/IT Department. To avoid piece-meal approach, all cases of a Department may be processed twice in a year during the months of May-June and Nov-Dec.
- (5) The Department should appoint an Official, preferably SNA to represent it in the SCC of DoIT.
- (6) The Department must ensure that all service and inventory labels including Data Operating System must be removed from condemned ICT Products/Equipment after taking proper backup.





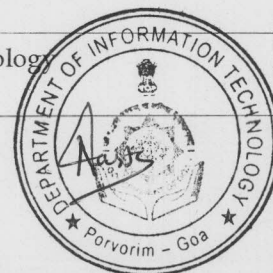
- (7) Once the ICT Products/Equipment has been condemned it should not be used for office use and subsequently should be kept in the area allocated for scrap within 1 week from the date of condemnation.

3.6 Responsibilities of SCC

- (1) DoIT will constitute a SCC comprising of representatives from DoIT, NIC and the concerned Department.
- (2) The SCC will review and approve the condemnation report prepared by Condemnation committee of concerned Department.
- (3) The SCC will also be responsible to decide on the mode of condemnation whether Buy-back or Disposal.
- (4) The SCC will record the proceedings in Annexure 3 which will serve as an approval for the concerned Department to condemn the ICT Products/Equipment mentioned therein.

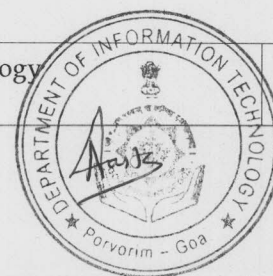
3.7 Responsibility Matrix

Responsibility	Department	SCC
Identification of ICT Products/Equipment to be condemned	<input checked="" type="checkbox"/>	
Preparation of Condemnation report	<input checked="" type="checkbox"/>	
Review and approval of condemnation report		<input checked="" type="checkbox"/>
Mode of Condemnation (whether Buy-back or Disposal?)		<input checked="" type="checkbox"/>
Process of Condemnation	<input checked="" type="checkbox"/>	





- This issues with the approval of Finance Department U. O. No. 34120 dated 13/10/2010





Annexure 1
(for use by department)

Sale Account

Item No.	Particulars of Stores	Quantity /Weight	Name and full address of purchaser	Highest bid accepted	Highest bid rejected	Earnest money realized on the spot	Date on which the complete amount is realized and credited into treasury	Whether the articles were actually handed over on the spot. If not, the actual date of handing over of the articles with quantities	Auctioneer's Commission and acknowledgment for its payment

Members of Sale or Auction Committee:

Name : _____

Name : _____

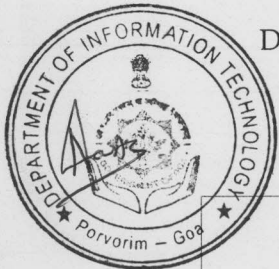
Name of Competent Authority: _____

Designation : _____

Designation : _____

Designation: _____

(Office seal)





Annexure 2
(for use by department)

ODF No. _____

Name of Department _____

Date: _____

Item No	Particulars of ICT Products/ Equipment	Asset Register Number	Name of Section/ Sub-Office	Manufacturer	Model	Serial No.	Year of Purchase	Book Value / Original Purchase Price	Reason for Condemnation	Remarks (if any)

Prepared By:

Reviewed By:

Forwarded By:

Name : _____

Name : _____

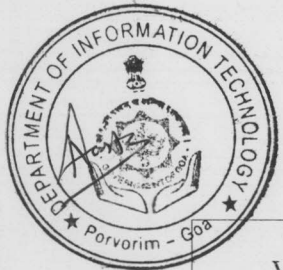
Name of Competent Authority : _____

Designation : _____

Designation : _____

Designation : _____

(Office seal)



**Annexure 3***(for use by Standing Condemnation Committee)*

ODF Ref. No.: _____

Date: _____

Item No.	Particulars of ICT Products/Equipment	Asset Register Number	Serial No.	Certified that ICT Products/Equipment below is	Mode of condemnation	Remarks (if any)
				<input type="checkbox"/> Technically obsolete <input type="checkbox"/> Beyond economical repairs <input type="checkbox"/> Non-repairable <input type="checkbox"/> Physically Damaged	<input type="checkbox"/> Buy Back <input type="checkbox"/> Disposal	

Condemnation Summary

Number of Items Proposed for Condemnation:		
Number of Items Approved for Condemnation:	Buy-back:	
	Disposal:	
Number of Items Rejected for Condemnation:		
Total:		

Approved By:

Name : _____	Name : _____	Name : _____
Designation: _____	Designation : _____	Designation : _____

