

**GOVERNMENT OF ARUNACHAL PRADESH
FINANCE DEPARTMENT**

No: FIN/E-II/18/2007/134

Dated, 1st October, 2007

Subject: **STANDARD OPERATING PROCEDURE (SOP)/ GUIDELINES FOR DISPOSAL OF OLD/OBSOLETE COMPUTERS BEYOND ECONOMIC REPAIRS (BER)**

1. This lays down the Standard Operating procedure (SOP)/Guidelines for declaring old computers and peripherals as obsolete/unserviceable/ beyond economic repair (BER) and further disposing them of. These guidelines supercede all earlier letters on this subject matter.

2. **Preliminary Action**

The following action shall be taken before declaring computers and peripherals obsolete/beyond economic repair (BER):

- a. The computer/peripherals ancillaries will continue to be used in the service as long as they can be maintained or upgraded economically.
- b. The computers/ peripherals/ ancillaries shall be processed for condemnation only when they cannot be upgraded or maintained economically and warrants extensive repairs and cost of which exceeds 50% of the current cost of an equivalent system.
- c. The computers/ peripherals / ancillaries shall have completed their stipulated 'life period' or 7 (seven) years, whichever is more. In cases, where the 'life period' is not over or no 'life period' has been prescribed or stipulated, the reasons for declaring the item unserviceable may be normal wear & tear, excessive use in public interest, accident, fire, flood & other natural causes, damage due to insects, rats, etc. In any case the systems/ items should have completed 7 (seven) years.
- d. Possibility of replacement with buyback procedure shall fully be explored prior to disposal.
- e. Ascertain from the vendor who is giving AMC support that the machine is beyond economic repair (BER) in the form of a technical report.
- f. Record the reasons for the machine to be declared obsolete.
- g. In case an item becomes unserviceable due to negligence, fraud or mischief on the part of Government servant, responsibility for the same should be fixed.

3. **Declaration of computers and peripherals as obsolete / BER**

- a. Old computers and peripherals can be declared as obsolete/BER by a board of officers constituted by an order of Head of Department.
- b. The board shall comprise of not less than three members, of whom, one shall have knowledge of finance & accounts, other be a technical member having knowledge of IT and type of store and third member shall a suitable and experienced officer nominated by Head of Department.
- c. The board of officers shall take into account the requirements at S. No. 2 (Preliminary action) and thereafter assess the optimum reserve price for the items.

4. **Further details of buyback procedure of disposal**

Generally any disposal of old computers / peripherals / ancillaries is followed by purchase of new ones. It may be possible to offer a package deal to computer hardware companies/authorized vendors wherein they may like to tender for supply of new computers/peripherals / ancillaries along with buyback of old ones. There are tow options for doing the same:

In such package deals, the tendering firm shall be selected on the basis of difference of total quotation for supply of new systems (LQ-N) and total bid for buyback of old systems (HQ-O), i.e.

$$x = (LQ-N) - (HQ-O)$$

(Where LQ-N is quotation for supply of new systems and HQ-O is quotation for buyback of old systems)

The firm offering lowest "x" be selected.

5. **Disposal**

- a. The board proceedings along with appropriately filled report of stores for disposal shall be prepared in GFR *Form 17*, duly recommended by the Head of Department with Administrative Approval (A/A) of the competent authority and thereafter be forwarded to Finance Department for concurrence.
- b. The disposal shall be completed after obtaining Finance Department's concurrence.
- c. Thereafter, a sale account should be prepared for goods disposed of in GFR *Form 18* duly signed by the officer who supervised the sale or auction.

This issues with the approval of Development Commissioner / Hon'ble Minister (Finance).


 [Amit Singla]
 Joint Secretary
 Finance Department

Copy to:

1. PPS to HCM for kind information of HCM please.
2. PS to HM (Finance) for kind information of Hon'ble Minister please.
3. PS to the Chief Secretary, Government of Arunachal Pradesh, Itanagar.
4. All Commissioners/Secretaries, Government of Arunachal Pradesh, Itanagar.
5. All Heads of Department, Government of Arunachal Pradesh.
6. All DCs/ADCs, Government of Arunachal Pradesh.
7. All branches of Finance Department.
8. Office copy


[Amit Singla]
Joint Secretary
Finance Department