

## TABLE OF CONTENTS

	Paragraph	Page
Preface		v
Executive Summary		vii
<b>CHAPTER I - INTRODUCTION</b>		
Introduction	1.1	1
Objectives of eProcurement system	1.2	1
System description	1.3	2
Modules of GePNIC	1.4	2
Workflow of the eProcurement system	1.5	3
Audit objectives	1.6	3
Audit criteria	1.7	4
Audit scope and methodology	1.8	4
Acknowledgement	1.9	5
Report Structure	1.10	5
<b>CHAPTER II - PORTAL IMPLEMENTATION</b>		
Introduction	2.1	7
Partial implementation of eProcurement portal	2.2	7
Utilisation of eProcurement portal by procuring entities	2.3	8
Status of updation of published tenders in comparison with other State Governments using GePNIC	2.4	11
Management of Earnest Money Deposit in the eProcurement portal	2.5	12
Imparting of training and awareness about eProcurement portal	2.6	13
Level of competition	2.7	14
Time taken for processing of tenders	2.8	15
Conclusion	2.9	16
Recommendations	2.10	16

<b>CHAPTER III - DEFICIENCIES IN THE APPLICATION SOFTWARE</b>		
Introduction	3.1	17
Non-mapping of Business Rules	3.2	17
Inadequate controls in the system	3.3	22
Other issues in eProcurement system	3.4	32
Conclusion	3.5	35
Recommendations	3.6	36
<b>CHAPTER IV - TENDER PROCESSING</b>		
Introduction	4.1	37
Bid submission	4.2	38
Evaluation of tenders	4.3	40
Conclusion	4.4	45
Recommendations	4.5	46
<b>CHAPTER V - COLLUSIVE BIDDING AND CARTELISATION IN TENDERING</b>		
Introduction	5.1	47
Analysis of number of bids received for a tender	5.2	48
Bidders becoming L1 on rotation (Bid rotation)	5.3	49
Bidders with family relationship	5.4	51
Bid participation by the same group of companies	5.5	53
Inconsistent bidding patterns noticed from IP address	5.6	54
Bidding patterns noticed from EMD payments	5.7	56
Conclusion	5.8	58
Recommendations	5.9	59

## APPENDICES

Appendix No.	Details	Page
1.1	List of sampled procuring entities in sampled districts.	61
1.2	Risk parameters considered in the sampling of tenders	62
2.1	Details of discontinuance in usage of eProcurement portal by procuring entities	63
2.2	Status of updation of published tenders by GoTN in comparison with other State Governments using GePNIC	64
3.1	Details of procuring entity-wise tenders published with less than the prescribed time for bid submission	65
5.1	Details of procuring entities where bids were submitted from same IP address	67
5.2	Details of procuring entities where bidders had submitted bids with consecutive EMD instrument numbers	68
	Glossary of abbreviations	69