

Office of the Comptroller and Auditor General of India
Professional Practices Group

Guidance Note

No: 226-09-PPG/2017

Date: 23 August 2017

Subject: Improving the quality of Inspection Reports

I Introduction

The broad objective of compliance auditing is to enable assessment of whether the activities of auditable entities are in accordance with the authorities¹ governing those entities towards expressing a conclusion designed to enhance the degree of confidence of the intended users.

The Compliance Auditing Guidelines adopted by the Department institutionalises the processes for planning, conducting, reporting and follow up of compliance audits. The guidelines envisages a top down, risk based and department centric approach and aims to instil the process rigour in audit implementation towards achieving the objectives of compliance auditing. The process rigour needs to ultimately enhance the quality of Inspection Reports. This guidance note, therefore, is in furtherance of the Compliance Auditing Guidelines and is intended towards establishing the specific procedures that should be followed while planning, conducting and reporting the results of compliance auditing through Inspection Reports.

The guidance notes emphasises the need for effective planning, including use of data analytics, prior to commencement of audit. Further, this guidance prescribes a process based Title Sheet to accompany all Draft Inspection Reports at the time of submission to field Headquarters, which includes certification of the audit process. The guidance note also envisages benchmarking and grading the Inspection Reports to evaluate their quality. The parameters and the scoring methodology address the existing and contemporary risks across the compliance auditing process.

¹ Authorities include the Constitution, Acts, Laws, rules and regulations, budgetary resolutions, policy, contracts, agreements, PPP contracts, established codes, sanctions, supply orders, agreed terms or the general principles governing sound public sector financial management and the conduct of public officials.

Sustained implementation would result in achieving better audit process outcomes as well as contribute to enhancing the quality of assurance.

The procedures envisaged in this guidance note are generally applicable to all streams of audit. However, in order to address specific circumstances that may exist in some field offices/audit streams, the functional wings may, if necessary, suitably modify the application of these procedures, the grading matrix or the Title Sheet.

Since this is an evolving process, the mechanism envisaged in this guidance note would be reviewed suitably in future after obtaining feedback from all stakeholders - field offices, functional wings, peer review and Inspection wing.

II Essential procedures

The specific procedures that determine the efficiency and effectiveness of compliance audits, which should be followed in all compliance audit assignments are described in the following four sections:

- A) Planning compliance audits
- B) Conducting audits
- C) Reporting results
- D) Grading of Inspection Reports

A) Planning compliance audits

Evidence based approach and the opportunities presented by data analytics need to be harnessed to integrate data from various sources and formats to gain deeper insights, identify and analyse risk exposures of entities as envisaged in the Compliance Auditing Guidelines. Use of IT resources for data analytics is encouraged since this could obviate the need to visit auditable entities. The macro and micro level risk assessments would lead to a better prioritization of the Auditable Entities and quality Annual Audit Plans and enable identification of focus audit efforts on the perceived high risk areas/activities. The procedures that should be followed while planning compliance audits are:

- 1) **Data Analytics:** Data Analytics should be carried out by the Data Analytics Group or Reports section, which involve the following steps:
 - (i) Map (Identify) the relevant audited entity databases and third party databases (Refer the Big Data Management Policy)
 - (ii) Collect the databases
 - (iii) Analyse it as per data analytic guidelines (which is under preparation by the headquarters)

(iv) The analytic results will be used as inputs for audit plan.

Activities at sl nos (i) and (ii) are primarily one-time exercises which will require periodic updating.

- 2) **Maintenance of Guard file:** A guard file should be maintained for each auditable entity containing the legislations/rules/policies/orders that apply to the entity, Financial and Outcome budgets, important long term contracts/MoUs and internal control processes/procedures instituted by the entity (internal documents). It should also contain relevant sections of external overarching documents such as the Economic Survey, Finance Commission Reports, Indian Public Finance Statistics published by Government of India etc that define the external environment and policy thrust in the relevant sector. This guard file should be updated in every audit.
- 3) **Desk review:** The audit party (or alternatively the SAO/AO in charge of the audit party) identified for audit of an individual entity (or a lead audit party identified for coordinating the audit of a group of entities) should carry out a desk review at Headquarters before embarking on an audit. The review should comprise a study of the guard file, data analysis to determine the direction/ focus of audit and to identify records /transactions that are potentially error prone for verification in the field. Ideally this can be synchronised with the quarterly scheduling of audits, when audit of similarly placed entities could be grouped/ scheduled simultaneously (e.g. billing units/schools /PWD units etc.), so that focus areas/common focus areas could be defined and pursued in audit. Use of data analytics at this stage is recommended. While ordinarily a desk review needs to be carried out for gaining an understanding of the entity to be audited and its focus areas, in certain cases, based on the context - size, complexity, scale of audit, desk review as a distinct procedure may not be warranted. In such cases, specific relaxation should be obtained from the concerned Group Officer, duly explaining the circumstances and recording/documenting the reasons for the relaxation, before commencing the audit.
- 4) **Planning audit procedures:** Based on an understanding of the individual entity (after the desk review), the SAO/AO in charge of the audit party should prepare a plan of audit procedures for the specific entity detailing the audit objectives, scope of audit, main focus areas for audit and assignment plan for the team members, which should be approved by the respective Group Officer before the audit is undertaken. A recommended format for planning audit procedures is provided as **Annexure I**. Where a specific subject matter has been

selected, an audit design matrix as envisaged in the Compliance Auditing Guidelines, should also be prepared.

Mandays required for the purpose of carrying out desk review and planning audit procedures may be appropriately factored into the annual audit plan to the extent required. It is expected, however, that this would not adversely impact the overall audit coverage.

B) Conducting audits

During this process, monitoring the field audit parties and supervising the quality of audit and documentation of the field audit work are the most critical processes. The audit procedures that should be followed to achieve better process outcomes are:

- 5) **Interface with Headquarters:** An effective two-way interface between field audit parties and Headquarters needs to be established during the field audit process whereby Headquarters can effectively monitor the field audit process and the audit parties can report on audit challenges being encountered and also follow up on Headquarters directions. This would involve the following:
 - (i) Technological solution such as the OPTIMA being implemented in State AG (Audit) offices need to be leveraged to enhance the quality and effectiveness of monitoring.
 - (ii) Issues emerging from Group Officer supervision should be effectively followed up and reported. A format has been devised to be provided by the field audit party as part of the Title Sheet to the Draft Inspection Report.
 - (iii) Any systemic issue observed during audit should be communicated to other parties carrying out similar audits to enable a holistic assessment across all audited entities.
- 6) **Certification of field audit process:** The SAO/AO of the field audit party should certify that the audit process was conducted as planned in accordance with the Auditing standards and Code of Ethics and that documentation requirements have been adhered to. The certification may be part of the Title Sheet that the field audit party submits along with the Draft Inspection Report. The revised format of the Title Sheet is provided as **Annexure II**.

C) Reporting results

Preparation of Draft Inspection Report and vetting of Inspection Reports are very crucial processes. As envisaged in the Compliance Auditing Guidelines, the findings in the Inspection Report should be presented in two parts – Part IIA comprising significant audit findings and Part IIB

comprising other incidental findings with best practices being separately highlighted. The vetting process should have the same rigour as that adopted for Draft Paras. The following procedures should be adopted in this regard:

7) Presentation of Draft Inspection Report:

- (i) Each para should clearly bring out whether the deficiency/best practice is an isolated case or it has a systemic connotation.
- (ii) The paras should be drafted in an orderly manner by identifying the **criteria** (both for regularity and propriety subject matters) against which the subject matter is being evaluated, describing the **condition** (deviation from criteria as observed in audit), correlating the **cause** of deviation and determines the **effect** of deviation. The reply of the audited entity should be incorporated and audit rebuttal/contention thereon should be clearly presented.
- (iii) While reviewing paras outstanding from previous Inspection Reports, in case of a continuing deficiency or a persistent irregularity the audit team should identify systemic issues/control deficiencies rather than routinely updating the para with latest information/revised monetary value.

8) Vetting of Inspection Reports:

- (i) The vetting process should ensure that every finding is supported by sufficient and appropriate evidence (Key Documents) and conclusions reached should be appropriate in the circumstances.
- (ii) It has to be ensured whether the IR paras have been categorised appropriately as Part IIA and Part IIB paras respectively. An illustrative list of paras that should be categorised in Part IIA and Part IIB are provided as **Annexure III**.
- (iii) While seeking approval of the Group Officer for issuing the Inspection Report, a judgement of the persistent irregularities that need to be brought to the notice of the Executive through a 'Department Appreciation Note' needs to be taken. Accordingly, a 'Department Appreciation Note' may be issued to the respective Principal Secretary by the PAG/DG/AG/PD as envisaged in the Compliance Auditing Guidelines.
- (iv) **Nil IRs:** In order to maintain the deterrent value of audit, some low risk entities may have to be audited and in such cases 'nil' reports may have to be issued. However, it has to be ensured that the requisite process rigour has been adhered to. All cases of 'nil' reports should be well documented, logically borne out and should

be issued only after prior approval of the PAG/DG/AG/PD of the field office.

D) Grading of Inspection Reports

The Inspection Reports should be graded so that their quality can be benchmarked. A scoring methodology has been defined to measure the efficiency and effectiveness of critical audit processes against a maximum score of 100, which would consequently be translated into a grade to evaluate the quality of Inspection Report on a scale of 10. The process scoring methodology and grading matrix of Inspection Reports is provided as **Annexure IV**.

The Vetting section in state AG Audit Offices and Reports/Headquarters sections (as appropriate) in other Field Audit Offices should be vested with the responsibility of scoring and grading each Inspection Report, which should be approved by the Group Officer after the despatch of each Inspection Report. Extant instructions require that Inspection Reports should be issued with the approval of the Group Officer, which has to be diligently observed in all cases.

At the Group officer level, the mechanism of grading of Inspection Reports would represent a self-certification process. It provides a framework for objective evaluation, as process parameters and their scoring methodology have been prescribed. As a control measure, the procedure of scoring and grading Inspection Reports should be periodically reviewed by the PAG/DG/AG/PD of the respective field office by a random selection of Inspection Reports, which should include Inspection Reports of Audited entities that were considered high risk.

The grading of Inspection Reports should not remain restricted as an isolated exercise and should distinctly reflect in the overall performance assessment of the field office. The peer review and inspection teams from Headquarters need to include this as an item in their respective check list to assess the scoring and grading procedure for their compliance and efficacy.

Sudha Krishnan
(Sudha Krishnan)

Director General (PPG)

All DAIs/ADAIs

DsG and PDs in Hqrs

All field Audit offices (as per mailing list)

Secretary to CAG

Annexure I

Format for planning audit procedures

Sl No	Description	Details
1	Name of the Entity	
2	Period of audit	
3	Duration of audit	
4	Have the documents of the Entity (such as the Financial budgets/Outcome budgets/Result Framework Documents/Annual Report/ New Policies and changes in policy, previous Inspection Reports/ Performance Audits Reports conducted earlier etc) been desk reviewed	
5	Have documents and data from secondary sources (such as Reports of the State and Union Governments and of various Commissions/ / Census data/ Statistics put out by Government/NSSO data/digitized data available in data.gov.in, VLC data, Beneficiary data (if applicable) etc, and other sources like media reports, research reports, academic reports etc) been desk reviewed	
6	Potential risk/focus areas that emerge of the review conducted as at (4) and (5) above.	
7	List the Audit Objectives that are intended to be pursued both on regularity and propriety aspects	
8	Summarise the planned scope of audit	
9	Audit procedures that are intended to be applied (review of records, physical verification, joint inspections, external evidence collection etc)	

10	Broad Assignment Plan for each party member	
11	Other remarks	

Senior Audit Officer / Audit Officer

Group Officer

Annexure II

TITLE SHEET (TO BE SUBMITTED ALONG WITH DRAFT INSPECTION REPORT)		
	PART A Summary of audit results	
1	Name of the organization audited	
2	Name of party personnel	
	(i) Sr. Audit Officer/Audit Officer	
	(ii) Asst. Audit Officer/Supervisor	
	(iii) Senior Auditor/Auditor	
3	Period of audit	
4	Dates of commencement and completion of audit (Extension of time, if any, granted may be separately indicated)	
5	Whether Entry Conference was held with the Audited Entity? If yes, enclose Minutes /Record of discussions. If no, provide reasons	
6	Number of potential paras (drawing reference to para nos) included in Part –IIA of the Inspection Report	
7	Number of paras (drawing reference to para nos) relating to fraud or misappropriation, presumptive fraud and leakage of revenue etc	
8	Paras relating to persistent irregularities etc that need to be brought to the notice of HOD through Management Letter.	
9	Briefly mention the challenges faced during audit (non-production of records, manpower or resource constraints, scope limitation etc) and how they were addressed during the course of audit	
10	Suggestions for overcoming such challenges in future audits	

11	Whether Exit Conference was held and draft Inspection Report discussed with the Head/Nodal Officer of the Audited Entity. If no reasons may be indicated.				Minutes as per Annexure A to be enclosed.	
12	Date of submission of Draft Inspection Report and all working papers to Hqrs. (may be submitted within a period of 7 working days from the date of conclusion of audit)					
13	Reasons for delay in submission of draft IR etc. to Hqrs with reference to the allotted time period, if any.					
14	General remarks, if any					
	Part B (Details of Audit Process followed)					
1	Whether the allocation of duties amongst each member of the Audit Team (SAO/AO/AAO/Sr. Auditor/Auditor) was prepared in line with the planned broad assignment plan and acknowledged by the respective party members? If no reasons and justification may be provided.				Allocation of duties as per Annexure B to be enclosed	
2	Sampling methodology adopted (Use as many rows as needed)				List of files/vouchers/other documents reviewed may be enclosed	
	Sl No	Section/Wing being audited	Nature of document	No selected for review	Percentage of selection	Sample method adopted
		Purchase/Works/ Establishment etc	Files / Vouchers etc	(Indicate actual number selected)	(Indicate percentage for each category)	Random/ Stratified/ Judgmental etc
3	Whether focus areas identified and procedures applied were as planned (with reference to the plan as approved by Group Officer before commencing the audit)? If no, reasons and justification may be provided.					
4	Whether all issues marked for examination by Group Officer on supervision/Hqrs section have been addressed?				Compliance to Group Officer comments on supervision to be enclosed as per Annexure C .	
5	Whether all work assigned as per allocation of duties were				Certificate as per Annexure	

	completed? If no, provide whether the reasons and justification are provided.	D to be enclosed.		
6	Briefly indicate the potential focus areas for next audit			
7	Whether daily diaries indicating the documents/records checked by team members of the Audit Team have been prepared, signed and enclosed?	Daily Dairy as per Annexure E to be enclosed for each member		
8	Whether a certificate of obtaining sufficient and appropriate evidence (key documents) for the audit observations included in the Draft Inspection Report has been provided?	Certificate as per Annexure F to be enclosed		
9	Whether the key documents have been referenced in the para and the source of evidence has been provided as footnotes?			
10	Please indicate the position of outstanding paras of previous Inspection Reports as under.			
	Period of Inspection Reports	No of paras outstanding (opening)	No. of paras outstanding (closing)	Reasons for the paras remaining outstanding
	1	2	3	4
11	Whether a certificate that the audit was conducted in accordance with the CAG's Auditing Standards 2017 has been provided?		Certificate as per Annexure F to be enclosed	
12	Whether a certificate that the audit party has complied with the Audit Quality Framework and Code of Ethics has been provided?		Certificate as per Annexure F to be enclosed	
Dated :				Sr. Audit Officer/Audit Officer

Annexure A

Sample Format of Minutes/Record of Discussions at the conclusion of Audit

Minutes of the Minutes held on _____ to discuss audit observations to be included in the draft inspection Report for the period _____ relating to the Ministry of _____ /Audited Entity _____.

Present:

From Ministry's side	From Audit side

(Note:- The minor and procedural irregularities which were noticed during the course of audit have either been settled on spot after taking assurance from the auditee or have been issued to the Ministry in the shape of Test Audit Note).

The audit observations were discussed in detail and necessary clarifications, wherever sought, were given from the Audit side.

It was pointed out by Audit that initial replies from the Ministry in respect of ____ audit observations were still awaited and the same may be furnished on priority. In response, the Ministry assured to send the replies at the earliest possible.

The meeting ended with vote of thanks.

(Signature)	(Signature)
(Name & Designation)	(Name and Designation)
From Ministry's side	From Audit side

Annexure B**Proforma for Duty list of each member of the Audit Team**

Duties assigned	Noted and signed (Acknowledgement)
SAO/AO : Name 1.	
AAO/Supervisor : Name 1. 2.	
Sr. Auditor/Auditor : Name 1. 2.	

Annexure C**Follow up of supervision by the Group Officer**

Name of the Audited Entity	Date of Supervision	Comments /Queries of the Group Officer	Action taken by the Audit Team on Comments/Queries

Annexure D**Certificate at the conclusion of Audit**

We have examined all the issues as per the duty list (except the following) and necessary audit observations based on audit scrutiny, have been issued.

Sl. No.	Brief particulars of the issues which could not be seen in audit	Reasons therefor [non availability of records, time constraints, shortage of manpower, other constraints/reasons] etc.
1		
2		

Sr. Audit Officer/Audit Officer

Annexure E

Daily Diary of each member of the Audit Team

Date	Brief details such as file number, item of work done, records seen and examined etc

(Signature)

(Name of the Officer & Designation)

Annexure F

Certificate

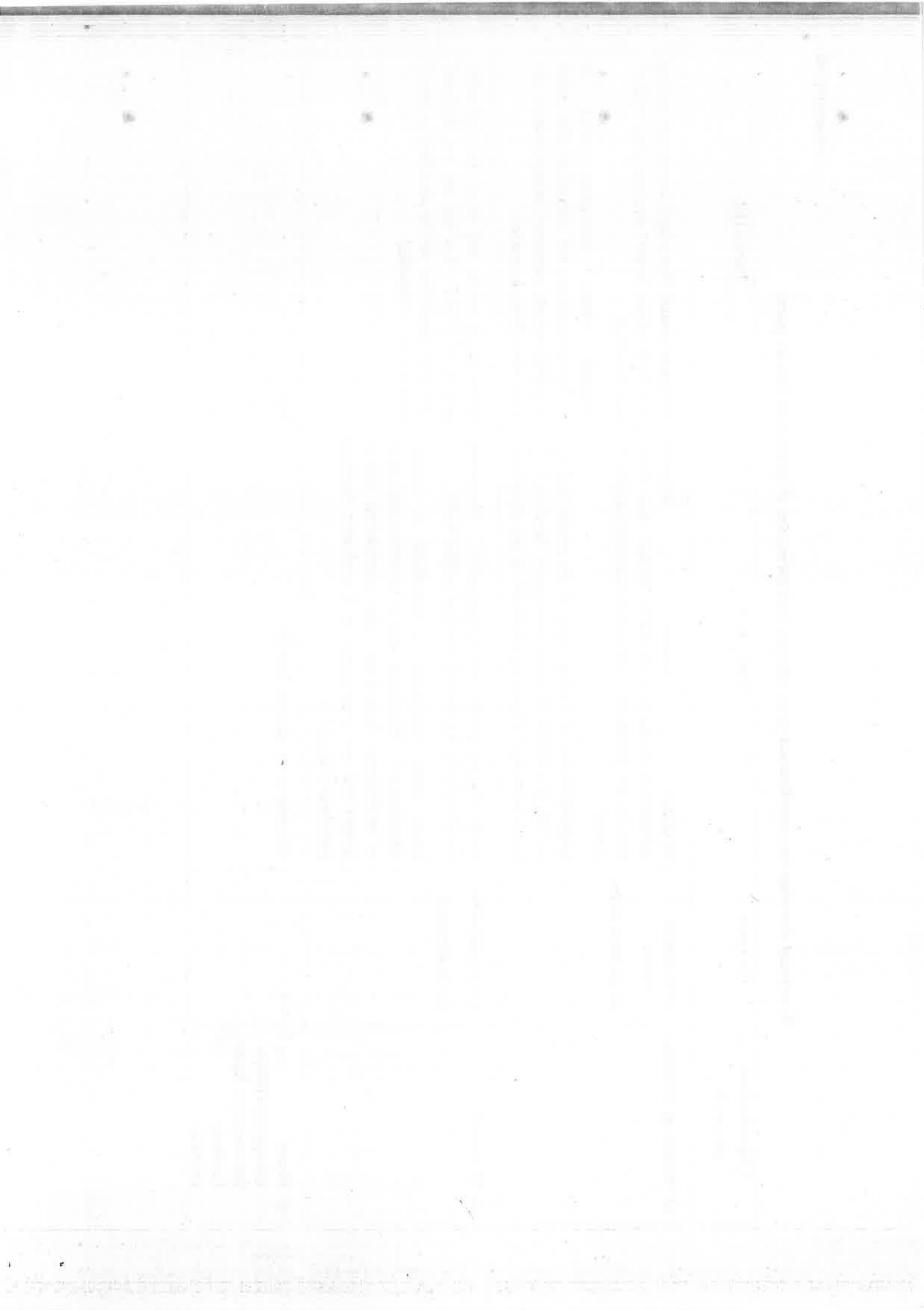
It is certified that:

- a) sufficient and appropriate evidence (key documents) for the audit observations included in the Draft Inspection Report have been obtained and have been submitted along with the Draft Inspection Report
- b) that the audit was conducted in accordance with the CAG's Auditing Standards 2017
- c) the audit party has complied with the Audit Quality Framework and Code of Ethics

Sr. Audit Officer/Audit Officer

Statement showing the classification principles for categorisation of Inspection Report paras

Classification principle	Category	Part – II A	Part – IIB
a) Nature of objection	1) Systemic issues 2) Isolated cases	Systemic issues: Systemic deficiencies/weaknesses/deviations (other than issues that are only procedural) subject to materiality as per (b) below. Isolated cases: Individual cases of deviations/violation and aberrations that relate to operational, functional and financial matters subject to materiality as per (b) below.	Systemic issues: Procedural deviations that do not significantly impair process (es), outputs and outcomes. Isolated cases: Individual cases of deviations/violation and aberrations that relate to establishment, personnel, administrative and other miscellaneous matters.
b) Materiality	1) Quantitative 2) Qualitative	Issues that are quantifiable (Quantitative) – Materiality value has to be determined for each audited entity. Issues where materiality is determined by context (Qualitative) – Materiality has to be determined based on professional Judgement after considering various factors that are enumerated in Compliance Auditing guidelines (para 5.11).	Cases of (a) above and those that ordinarily pertain to PART –IIA but are not material. However, cases that can be classified as trivial need not be reported.
c) Fraud and misappropriation, presumptive fraud, Leakage of revenue	NA	All cases to be taken as Part-IIA.	NA



Matrix for grading the Inspection Reports

Sl No	Process Parameter	Allocated score	Scoring methodology	References to Compliance Auditing Guidelines
1	Planning	30		Chapter 4
1 (a)	Desk review- Understanding the auditable entity			
	Review of guard file, data analysis and understanding internal controls. This should comprise review of both internal documents and external applicable data bases/data.	10	This has two dimensions. Review of internal documents (Max score- 5): A comprehensive review of the entire range of available documents would yield the maximum score of 5 and a limited/restricted review would have to be correspondingly scored lower than 5. Review of internal documents include budgets-financial and outcome, rules/regulations, past audit findings etc. Review of relevant external data bases (Max score-5): A comprehensive review of the entire range of available data/data sets/reports would yield the maximum score of 5 and a limited/restrictive review would have to be correspondingly scored lower than 5. Review of external data includes data analysis of relevant external databases, reports/statistics of Govt etc.	Paras 4.3, 4.10 to 4.15, 4.20 and Hqrs Data guidelines on analytics and compliance audit
	Identification of potential risk/ focus areas	10	This has two dimensions. Focus areas from past audits (Max score -5): Identification of persistent irregularities, systemic issues emerging from past audit findings would be scored based on the range of areas identified upto a maximum of 5. New focus areas (Max score- 5): Identification of any new focus area(s) would yield a score of 5.	
1 (b)	Audit plan - Planning audit procedures			
	Determination of scope of audit and Audit Objectives	05	Determining the scope and audit objectives duly approved by the Group Officer (as per the prescribed template) prior to commencement of audit would fetch a score of 5. Not doing so would yield a score of zero.	Paras 4.6 to 4.8

	Deciding the assignment plan for team members, audit procedures and preparation of audit design matrix if applicable	05	Deciding the assignment plan and broad audit procedure duly approved by the Group Officer (as per the envisaged template) prior to commencement of audit would fetch a score of 5. Not doing so would yield a score of zero.	Paras 4.16 and 4.17
2	Conducting the audit	45		Chapter 5
2 (a)	Findings and evidence			
	Extent of findings from identified risk/focus areas	25	The score against this parameter would have to be determined on the basis of the percentage/rate of conversion of risk/focus areas identified (as at 1(a) above) into findings in the Inspection Report. The specific findings from other than focus areas included in the Inspection Report would also be considered. A) Clear cases of overpayments/ wasteful or infructuous expenditure /leakage of revenue/ revenue foregone or short collected/ frauds or presumptive frauds /losses /non-compliance with laws or rules/ violation of contractual obligations/ undue favour to contractors/service providers (scoring to be based on proportion of such paras to total paras in IR eg if all paras in the IR fall in this category it would fetch full score of 25. If 60% of the paras fall in this category it would fetch a score of 15 i.e 60% of 25) – (Max score 25) B) Clear cases of idle investments/blocking of funds/delays in procurements, commissioning of equipment, project execution and diversion or mis-utilisation of funds (scoring to be based on proportion of such paras to total paras in IR eg if all paras in the IR fall in this category it would fetch full score of 15. If 20% of the paras fall in this category it would fetch a score of 3 i.e 20% of 15) – (Max score 15) C) Procedural issues either not involving financial implications or having financial implications lower than materiality (scoring based on proportion of such paras in IR eg if all paras in the IR fall in this category it would fetch full score of 5. If 20% of the paras fall in this category it would fetch a score of 1 i.e 20% of 05) – (Max score -5) In case of 'NIL' Inspection Reports, the conduct of audit has to be evaluated against the nature of the audited entity (high risk/ medium risk/low risk) focus areas that have been pursued against applicable audit criteria. The scoring would	Paras 5.10 to 5.14

			be based on proportion of focus areas that were pursued vis-à-vis that were identified during planning stage and compliance to the envisaged audit process (if all areas were satisfactorily pursued against applicable audit criteria and the audit process was followed it would yield a full score of 25 else the score would have to be proportionately reduced)		Paras 5.5, 5.6, 5.10 to 5.14
	Extent of sufficient and appropriate Evidence (Key documents) obtained and evaluated.	10	Part II A- (Max Score -8): The score against this parameter would have to be determined on the basis of the percentage of paras in the Inspection Report for which sufficient and appropriate evidence have been obtained and evaluated. (e.g. If the IR has 20 Part IIA paras and full set of KDs (evidence) have been obtained for only 14 paras (70% of paras), this parameter would fetch a score of 5.6 (70% of the maximum allocated score of 8) PART II B -- (Max score 2) The score against this parameter would be on similar basis as envisaged for Part IIA paras above.		
2 (b)	Documentation				Paras 5.15 to 5.19
	Preparation of Audit file and documentation of Working papers -Extent of field work done-	10	Preparation of Audit file comprehensively as envisaged in Compliance Auditing Guidelines and containing the audit strategy, scope and methodology, sample selection, audit procedures applied. Audit Design and Audit Findings matrices (where applicable) etc and documenting the working papers comprehensively as envisaged in Compliance Auditing Guidelines and detailing the extent of work done, contracts/agreements examined etc would yield the full score of 10. The score against this parameter would have to be proportionately reduced based on the extent of gaps in documentation observed during the process vetting the IR. This is applicable for NIL IRs also.		
3	Reporting	25			Chapter 6
3 (a)	Drafting and presentation				
	Drafting quality	05	The score against this parameter would have to be determined on the basis of extent of revision that was necessary while vetting the IR. This is not applicable for NIL IRs.		Para 6.5 and Hqrs guidelines
	Appropriate classification of paras into Part – II A and Part- II B.	05	The score against this parameter would have to be determined on the basis of the proportion of paras that were incorrectly classified to the total paras. (eg if two out of six paras in the IR were incorrectly classified (which had to be rectified during vetting process) ie. 30% incorrectly classified and 70% correctly classified, the		Guidelines issued by Hqrs

			score to be awarded would be 3.5 (70% of the total score). This is not applicable for NIL IRs.	
	Mortality of paras	05	The score against this parameter would be determined on the basis of percentage of paras retained (number of paras retained wrt total paras in Draft IR) during the vetting process. i.e if 80% of the paras have been retained, the score to be awarded would be 4 (80% of the total score). This is not applicable for NIL IRs.	

3 (b)	Timeliness		Para 6.4
	Submission of Draft IR	05	Despatch of Draft IR / emailing the Draft IR promptly (7 days) would yield the full score of 5, which would be proportionately reduced for delays as under: Delay upto five days: 4 Delay upto seven days: 3 Delay upto nine days: 2 Delay of 12 days : 1 Delay > 12 days : 0 This would apply to NIL IR also
	Issue of IR	05	Issue of IR promptly within the specified time (30 days) would yield the full score of 5, which would be proportionately reduced for delays as under: Delay upto five days : 4 Delay of one week : 3 Delay of 10 days : 2 Delay of two weeks : 1 Delay > two weeks : 0 This would apply to NIL IR also
	Total	100	

IR Grading

Score of IR	Less than 25	26-30	31-35	36-40	41-45	46-50	51-60	61-70	71-80	81-90	91-100
IR Grade	0	1	2	3	4	5	6	7	8	9	10