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29<sup>th</sup> August, 2006

## TO ALL PUBLISHER MEMBERS OF THE BUREAU cc: Bureau Auditors and Approved Auditors

### **NOTIFICATION NO. 771**

# Gifts on Newsstand Sales (non subscription)

Bureau's Council of Management reviewed its earlier guidelines pertaining to gifts on newsstand sales (non-subscription) as notified vide Bureau's Notification No. 733 dated 25<sup>th</sup> June 2004. The said guidelines under item No. 18 of the Notification prescribed:

"in case of newsstand sales (single copy sales), gifts / incentives / premiums etc. upto 50% of the cover price is permissible".

In view of the detailed guidelines adopted by the Council (with effect from 1<sup>st</sup> January, 2007) for "combo offers" (non subscription), it was also decided to prescribe exhaustive guidelines for gifts on newsstand sales (non-subscription):

### **Prescribed Guidelines:**

- The value of gift / inducement / incentive to a reader should not exceed 50% of the cover price of the publication on which an inducement is offered.
- In case another publication is offered as a gift, in such cases, on the print line below the mast-head of the main publication, it should be mentioned that "XYZ publication offered free with DEF publication".
- Similarly, on the print line of the publication offered free, it should be specified that this publication is offered free alongwith XXX publication.
- Trade commission / delivery charges on the publication offered free as a gift or offered at less than the cover price as an inducement should not exceed 40% / 45% of the cover price (40% in case of Dailies and 45% in case of other than Dailies).
- > Print Order of the publication offered free should specifically show the number of copies offered free with a particular publication.

- In case a Publication, which is offered as a gift / inducement / incentive is not a member of the Bureau then the member publication shall arrange for verification of the distribution and financial books and records of a non-member publication. The Member Publication will then arrange to obtain a written confirmation from the non-member publication that it's financial & distribution books & records are open for scrutiny by Bureau's Auditors / officials.
- Copies of the Publication offered free as an inducement or at less than the prescribed cover price would not be considered for certification as Net Paid Sales.

Non compliance of any of the above guidelines would render such gift / inducement offer as unacceptable for certification as net paid sales.

The above guidelines would be applicable to all Publisher Members with effect from 1<sup>st</sup> January, 2007.

Sd/-Secretary General