## CONFIDENTIAL

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

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

## **NOTIFICATION NO. 766**

## **Delivery Charges on Subscription Copies**

Publisher Members attention is drawn to Bureau's Notification No.741 dated  $2^{nd}$  February, 2005 which prescribes the guidelines for subscription copies.

Bureau's Council of Management at its recent meeting considered the specific issue regarding delivery charges paid to the trade to deliver subscription copies to the subscribers. After detailed deliberations and also taking into account the recommendation of the Task Force which had emphasised that the trade normally desired a fixed trade margin per copy for distribution of newspapers to households irrespective of whether the copies were line copies or prepaid subscription copies. Further in case of subscription copies, subscriber records are available for verification and the subscription amount for the relevant subscription period is also received in advance by the publisher. Since these safeguards were already in place to reasonably establish that such copies were delivered to subscribers, the Bureau's Council of Management decided that w.e.f. 1<sup>st</sup> July, 2006 delivery charges paid to the trade for delivering subscription copies will be permitted to be paid on the basis of the cover price of a publication subject nevertheless to the existing maximum ceiling i.e. 40% in case of dailies and 45% in case of other than dailies.

However, publisher members shall retain atleast 10% of the cover price of a publication involved in the subscription offer after taking into account discount on cover price, value of gifts, delivery charges and any other expenses.

All other requirements contained in Bureau's Notification No.741 dated  $2^{nd}$  February, 2005 will continue to remain in force.

Thanking you,

Sd/-Secretary General