

25th June, 2004**CONFIDENTIAL**

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TO ALL MEMBERS AND AUDITORS**NOTIFICATION NO. 733****RE: NEW AUDIT GUIDELINES**

As informed to you earlier vide Chairman, Mr. Krishan Premnarayan's letter dated 29th September, 2003, which was his first communication addressed to all Members of the Bureau, the Task Force comprising of following eminent professionals was formed:

Sl. No.	Name & Designation	Name of the Company	
1.	Mr. Ravi Kant, Exec. Dir. (Comm. VBU) - Chairman of the Task Force	Tata Motors Ltd.	Former Chairman of ABC
2.	Mr. Pradeep Guha, President	Bennett, Coleman & Co. Ltd.	
3.	Mr. M.K. Khanna, Chief Executive	J. Walter Thompson	Former Chairman of ABC
4.	Mr. N. Murali, Jt. Managing Director	Kasturi & Sons Ltd.	Former Chairman of ABC
5.	Mr. Paresh Nath, Managing Editor & Publishing Director	Delhi Press Patra Prakashan Ltd.	
6.	Mr. Aroon Purie, Editor-in-Chief	Living Media India Ltd.	Former Chairman of ABC
7.	Mr. Goutam Rakshit, Managing Director	Advertising Avenues	Former Chairman of ABC

Chairman, Mr. Krishan Premnarayen had organised and attended along with some Council Members and some Task Force Members various Meetings held with Members and Auditors of the Bureau as under:

S.No.	Particulars	Place of the Meeting	Date of the Meeting
1	Meeting with Magazine Publisher Members and Auditors	Mumbai	13th October, 2003
2	Meeting with Members and Auditors in the State of Andhra Pradesh	Hyderabad	15th October, 2003
3	Meeting with Members and Auditors in the State of Gujarat	Ahmedabad	21st October, 2003
4	Meeting with Members and Auditors in the State of Karnataka	Bangalore	29th October, 2003
5	Meeting with Members and Auditors in the State of Tamil Nadu	Chennai	30th October, 2003
6	Meeting with Members and Auditors in the State of Kerala	Kochi	31st October, 2003
7	Meeting with Members and Auditors in the State of Rajasthan	Jaipur	10th November, 2003
8	Meeting with Members and Auditors in the States of Maharashtra & Goa	Mumbai	19th November, 2003
9	Meeting with Members and Auditors in the States of New Delhi, Uttar Pradesh, Uttaranchal, Haryana, Punjab, Chandigarh, Chhatisgarh and Madhya Pradesh	New Delhi	3rd December, 2003

Views expressed by Members and Auditors were recorded and Minutes circulated to all those who attended these Meetings. All the views/ suggestions received from Members and Auditors were then analysed and put before the Task Force for its consideration.

The Task Force considered all the above suggestions keeping in view the Bureau's existing Rules and Audit Guidelines, and their own rationales at their four Meetings held at Mumbai on 20th December, 2003, 20th January, 28th January and 7th April, 2004.



Mr. Ravi Kant, Chairman of the Task Force handed over the Task Force Report to the ABC Chairman, Mr. Krishan Premnarayan on 8th May, 2004, at the Council Meeting held at Mumbai. The Report was then discussed and clarifications sought by the Council Members from the Task Force Members at this Meeting.

The Bureau's Council of Management at its Meetings held at Mumbai on 8th May, 2004 and 12th June, 2004, deliberated and considered the recommendations of the Task Force in great depth.

The Council's decisions on various Audit Guidelines as well as on new suggestions are enclosed for your immediate reference.

These revised Audit Guidelines would be effective from 1st July, 2004 i.e. from the audit period July-December 2004 onwards.

Secretary General

Encl:

I N D E X

S.NO.	PARTICULARS	Page No.
1	Trade Terms to Agents	1
2	Subscription Rate	2
3	Trade Terms to Agents on Subscription Copies	3
4	Illustrative Example - Subscription Copies	4
5	Gifts to Subscribers	5
6	Valuation of gifts	6
7	Prescribed Procedure for booking of Subscription Copies	7
8	Net Paid Sales	8-9
9	Institutional Sales	10
10	Cover Price of Newspapers/Magazines	11
11	Linkage Between Cover price of a Publication and a Subscription Rate for a specific period	12
12	a) Whether all editions of a title to be Members of the Bureau. b) Group Publications having Marketing tie-ups with Member Publications.	13
13	Treatment of separate titles for weekdays and sundays to be treated as one for gross trade terms	14
14	No Distinction to be made between an edition and a printing centre	15
15	Option to avail of combined or separate ABC Certificate	16
16	Treatment of Unsold Returns from Agents	17
17	Combo Offers	18
18	Gifts/Incentives on Single copy Sales to Regular Readers	19
19	Indirect Compensation to the Trade (Through non-ABC Member Publications)	20
20	Subscription Copies to School Students	21
21	Sampling Exercise by Manufacturers with a Magazine	22

22 Advertisement Contents in a Publication.

23



S.NO.	PARTICULARS	Page No.
23	ABC Campaign highlighting the Advantages of being a Member of the Bureau.	24
24	Bureau's Code for Publicity.	25
25	Details on ABC Certificate.	26
26	New Admission to Membership - Publisher Members.	27
27	No. of Chances a New Publisher Member should be allowed to obtain the first ABC Certificate.	28
28	Responsibility Statement.	29
29	Fusion of Circulation and Readership Data.	30
30	Development of a Suitable Software for Standardised Area Breakdown Statements.	31



1. TRADE TERMS TO AGENTS

Bureau's present audit guidelines:

Bureau's present audit guidelines were revised with effect from the Audit Period July-December 2002 (Notification No. 701, dated 22.1.2002), the maximum ceiling of Trade Terms to Agents are as under:

In respect of

Daily Newspapers	..	35%
Weeklies & Magazines	..	40%

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

With effect from the Audit Period July-December 2004, the maximum ceiling of Trade Terms to Agents stands revised as under:

In respect of

Daily Newspapers	..	40%
Weeklies & Magazines	..	45%

2. SUBSCRIPTION RATE

Bureau's present audit guidelines:

(Ref. Notification No. 707, dated 22.1.2002)

Minimum subscription rate for Newspapers as well as Magazines has to be atleast 50% of the cover price of a publication for the relevant period.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Discount/Gifts/Incentives to Subscribers together with the cost of distribution* of a Publication should not exceed 90% of the cover price of a Publication for the corresponding period of subscription.

The existing ceiling of upto 50% discount to cover price as the minimum subscription rate is withdrawn.

Publisher may at his discretion offer discounts/gifts/incentives to Subscribers together with the cost of distribution* of a Publication which should not exceed 90% of the cover price of a Publication for a given period in order that the Subscription Scheme qualifies for certification.

*(cost of distribution of a Publication includes trade terms to agents and/or delivery charges incurred such as postage, courier, handling charges or by any other name)



3. TRADE TERMS TO AGENTS ON SUBSCRIPTION COPIES

Bureau's present audit guidelines:

- a) If subscription copies are distributed through the existing distribution trade, then the trade commission should not exceed the maximum permissible i.e. in respect of newspapers 35% and magazines 40% on the **Subscription Price** . (Page 22 of the Guide to ABC Audit)
- b) **Delivery Charges:** In case, Publications are distributed through any other channel, actual delivery costs as may be incurred by the Publisher is permissible.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

The maximum trade commission for distribution of Subscription Copies, would be:

In case of Dailies : 40% of the **cover price**

In case of Weeklies
& Magazines : 45% of the **cover price**

OR

Delivery charges: Actual cost as may be incurred by a Publisher on postage, courier, subject to the above maximum limits.

Discounts/gifts/incentives including the trade terms offered and/or delivery charges incurred should be within the overall limit of 90% of the cover price of a Publication.

Delivery charges to also include all expenses incurred on delivery of a Publication to the Subscriber viz. postage, courier, handling charges or by any other name. Publisher to maintain adequate records as a proof of actual delivery charges incurred for audit purpose.



4. ILLUSTRATIVE EXAMPLE - SUBSCRIPTION COPIES

Existing Rules			Revised Rules		
a)	- Cover price of a monthly Publication	Rs. 10	a)	- Cover price of a monthly Publication	Rs. 10
	- Yearly cover price	Rs.120		- Yearly cover price	Rs.120
b)	- Subscription price (discount upto maximum 50% of the cover price) Yearly subscription price	Rs. 60	b)	The proposed new rule envisage a minimum Net receivable per subscription for 1 year at Rs. 12/- (being 10% of the cover price).	
	- Gift to a Subscriber (upto 50% of the subscription price)	Rs. 30 -----		Total discount, gifts/incentives/distribution cost/commission to the trade not to exceed Rs. 108/- being 90% of the cover price.	
	Discount/Gift on the cover price	Rs. 90 -----		Therefore the Nett receipt in the hands of the Publisher per subscription for 1 year (which works out to 10% of the cover price for the given period of subscription, in this case for one year)	Rs. 12
	Nett receipt in the hands of a Publisher	Rs. 30			
	Less: Distribution cost incurred by a Publisher (say through the trade at 40% of the subscription price)	Rs. 24 -----			
	Nett receipt in the hands of a Publisher per subscription for 1 year (which works out to 5% of the cover price for the given period of subscription in this case for one year)	Rs. 6 -----			



5. GIFTS TO SUBSCRIBERS

Bureau's present audit guidelines:

(Ref. Notification No. 668, dated 29.5.1999)

Publisher Members may offer and publish gifts/premiums/inducements to Subscribers. The value of the gifts/premiums/inducements etc shall not exceed 50% of the subscription price prescribed for the specific period or category.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

A Publisher may offer gifts to Subscribers subject to an overall limit of 90% of the cover price which includes discount, gifts/incentives as well as cost of distributing* a Publication to its Subscriber.

*(cost of distribution of a Publication includes trade terms to agents and/or delivery charges incurred such as postage, courier, handling charges or by any other name)



6. VALUATION OF GIFTS

Bureau's present audit guidelines:

(Ref. Notification No. 668 dated 29.5.1999)

- a) In case where MRP of a product given as a gift is available, then the MRP is reckoned as the value of the gift.

- b) In case of a customised/unique product offered as a gift, then the cost of such a product to the Publisher plus 20% of such cost (mark up) is reckoned as the value of the gift.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

- a) In case of a branded product given as a gift to a Subscriber, MRP as available to be reckoned as the value of the gift offered by the Publisher.

- b) In case of a customised/unique product, cost to the Publisher as per Invoice plus 15% (mark up) is to be reckoned as the value of the gift.

7. PRESCRIBED PROCEDURE FOR BOOKING OF SUBSCRIPTION COPIES

- 1) A subscriber needs to fill up the subscription form with full details viz. Name, address and other particulars duly signed which should be sent to the Publishers office with the required remittance for the subscription amount for the given period. The Subscription amount needs to be received by the Publisher in **advance** or within 2 months in case of booked the subscription for the given period.
- 2) Publisher to maintain subscription records for all subscribers together with the details of the copies despatched to them periodically. In case, the subscription copies are distributed through the trade then the trade commission payable is to be worked out on the **subscription price**.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

As per the revised rule, the commission to the trade (upto 40% in case of Newspaper and 45% in case of Weeklies and Magazines) can be paid on the **cover price** of the Publication subject to an overall limit of 90% of the cover price for a given period. The overall limit of 90% of the cover price to include discount/gifts/incentives offered on the cover price to a subscriber, trade commission paid and/or delivery charges.



8. NET PAID SALES

Bureau's present audit guidelines:

NET PAID SALES: That portion of a publication's circulation which meets the following requirements.

- a. Has been sold by the publisher, and has been paid for by, genuine readers at not less than the normal declared newsstand and/or subscription price;

and/or

- b. Has been sold to the distributing trade by a Publisher or by his agent/agents within trade terms which may be specified by the Bureau from time to time and which may reasonably be supposed to have been sold by the distributing trade to and paid for by genuine readers at not less than the publisher's normal declared news-stand and/or subscription price. (*Unless Auditors/Bureau having any evidence to the contrary*).

The Net Paid Sales shall not include:

- i. Institutional Sales to organisations not connected with the distribution trade.
- ii. Sale of Back copies:
- iii. Copies remaining as unsold/short receipt out of copies indented as notified by the distributing trade and accepted by publishers.
- iv. All copies reported as unsold in cases where additional copies supplied without agents' indents even though such claims are not accepted by the Publishers.
- v. Copies equivalent to outstanding dues beyond the credit period as prescribed by the Bureau provided such copies have not been deducted as per clause (iv) above.

The Net Paid Sales shall include add back of copies deducted on account of outstandings during the **immediate** previous period but the amount of which is realised in the following period.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

The revised definition of Net Paid Sales would be as under:

NET PAID SALES: That portion of a publication's circulation which meets the following requirements.

- a) Has been sold by the Publisher, and has been paid for by genuine readers at not less than the normal declared newsstand, subscription price.
and/or
- b) Has been sold to the distributing trade , Hotels, Airlines, Libraries, Schools, Colleges and Offices by a Publisher or by his agent/agents within the trade terms which may be specified by the Bureau from time to time and which may reasonably be supposed to have been sold by the distributing trade at not less than the Publisher's normal declared news-stand and/or subscription price. (*Unless Auditors/Bureau having any evidence to the contrary*).

Net Paid Sales shall not include:

- i) Sale of Back copies.
- ii) Copies remaining as unsold/short receipt out of copies indented as notified by the distributing trade and accepted by the Publisher.
- iii) All copies reported as unsold in cases where additional copies supplied without agents' indents even though such claims are not accepted by the Publisher.
- iv) Copies equivalent to outstanding dues beyond the credit period as prescribed by the Bureau provided, such copies have not been deducted as per clause (iii) above.

Net Paid Sales shall include add back of copies deducted on account of outstandings during the **immediate** previous period but the amount of which is realised in the following period.



9. INSTITUTIONAL SALES

Bureau's present audit guidelines:

- Under Bureau's earlier Rules, Bulk Sales upto 5% of Net Paid Sales was shown separately. However, this was not forming part of Net Paid Sales. The cap of 5% was subsequently withdrawn.
- Under Bureau's present Rule, All copies of newspapers and periodicals which are either sold directly by the Publishers and/or his distributing trade to organisations not connected with newspaper distribution trade at trade terms not exceeding the maximum rate prescribed by the Bureau for distribution trade provided bonafides of the organisation(s) involved in institutional sales are established to the satisfaction of the Auditors (Unless Auditors/Bureau having any evidence to the contrary) **are not reckoned for calculating Net Paid Sales.**

(Ref. Notification No. 703 dated 22.10.2001)

- Average Institutions Sales is shown separately on the ABC Certificate.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Bulk sales to Institutions viz. Hotels, Airlines, Libraries, Schools, Colleges and Offices paid for by the Institutions at trade terms not exceeding the maximum rate prescribed by the Bureau to be allowed as Net Paid Sales upto 10% of Net Paid Sales.



10. COVER PRICE OF NEWSPAPERS/MAGAZINES

Bureau's present Rules/Guidelines

As a policy, Bureau does not regulate the Cover price of either Dailies, Weeklies or Magazines.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

- Bureau's present Policy not to regulate cover price of Dailies, Weeklies and Magazines to continue.
- In case of Publications where the value of a Newspaper at the Net Selling Price to the trade is lower than the waste value as per audited Responsibility Statement, the same will be reflected on the ABC Certificate.

11. LINKAGE BETWEEN COVER PRICE OF A PUBLICATION AND A SUBSCRIPTION RATE FOR A SPECIFIC PERIOD

Bureau's Present Rules/Guidelines:

Under the Bureau's present Rules, the subscription price for any publication i.e. Daily, Weekly and Magazine has to be at least 50% of the cover price of a publication for the relevant period.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

- The existing linkage of 50% discount to cover price as the minimum Subscription rate stands withdrawn.

- Discount/gifts/incentives to Subscribers, trade commission and/or delivery charges incurred in aggregate not to exceed 90% of the cover price of a Publication for the corresponding period of subscription.



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12. (a) **WHETHER ALL EDITIONS OF A TITLE TO BE MEMBERS OF THE BUREAU**
- (b) **GROUP PUBLICATIONS HAVING MARKETING TIE-UPS WITH MEMBER PUBLICATIONS**

Bureau's present Rules/ Guidelines:

- Membership of any edition/publication is purely voluntary.
- A Publisher may enroll as a Member for any of its editions of a title as per his choice.
- A Publisher may also opt for a combined certificate of all his editions of a title or seek separate certificate as per his choice.
- No specific rules on Marketing tie-ups

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

- a) Present Policy of allowing Publisher Members to avail either combined or individual Certificate to continue. All editions of a title need not be a Member of the Bureau.
- b) Marketing tie-up with non-Member Publications is permitted.



13. TREATMENT OF SEPARATE TITLES FOR WEEKDAYS AND SUNDAYS TO BE TREATED AS ONE FOR GROSS TRADE TERMS

Bureau's present guidelines

Separate titles are subject to certification by the Bureau separately provided Bureau's parameters relating to trade terms, certification policy are complied with by each title.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Bureau's present Guidelines for separate titles on Weekdays and Sundays for separate certification to continue.



14. NO DISTINCTION TO BE MADE BETWEEN AN EDITION AND A PRINTING CENTRE

Bureau's present Rules/Guidelines

Bureau has adopted following definitions for an Edition and a 'Printing Centre'.

- **Edition:** A Publication/title separately registered with RNI and having a separate Registration No., Serial No. and Volume No.
- **Printing Centre:** Printing of an edition of a Publication carried out simultaneously at any other location with same RNI Registration No. and Volume No.
- Average Net Paid Sales of each printing centre of an edition are totalled and shown against the circulation of an edition.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Bureau's present guidelines and definition of an 'Edition', 'Printing Centre', to continue. However, certification of an edition for a part Audit Period to be allowed in cases where Publication avails a combined certificate which was earlier not permitted.



15. OPTION TO AVAIL OF COMBINED OR SEPARATE ABC CERTIFICATE

Bureau's present guidelines

- A Publisher at present has a choice to opt either for a Combined or Separate ABC Certificate for all his editions of a title. He also has an option to change his decision but after four audit periods or two years.
- A Publisher also has an option to keep out of the Bureau's purview some of the editions of a title for any reason.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Bureau's present guidelines to continue.



16. TREATMENT OF UNSOLD RETURNS FROM AGENTS

Bureau's present Rules/Guidelines:

- Bureau's rule prescribes that if the publisher has supplied copies as per the Agent's advance written indents, then the publisher may not accept unsold returns from the Agent.
- In case of copies supplied by Publishers without Agent's prior written indents, all copies reported as unsolds have to be excluded from Net Paid Sales whether credit for those copies is allowed or not.
- For the purpose of regular audit, information relating to unsold copies available only upto the end of an audit period i.e. 30th June and 31st December is taken into account. However, if the Auditors come across instances of significant unsolds as reported by the agents subsequent to the above dates which in their opinion are suppressed, the fact of such heavy unsold is appropriately accounted whilst certifying Net Paid Sales.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Bureau's present rules/guidelines to continue.

17. COMBO OFFERS

Bureau's Present Rules/Guidelines:

- Bureau has not laid down any specific guidelines in this behalf.
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NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Combo Offers at prescribed full cover price of each Publication can be considered for Certification as Net Paid Sales.



18. GIFTS/INCENTIVES ON SINGLE COPY SALES TO REGULAR READERS

Bureau's Present Rules/Guidelines:

- In case of Newsstand Sales (Single copy Sales), gifts/incentives/premiums etc. upto 50% of the cover price is permissible.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Bureau's present Rule as above to continue.



19. INDIRECT COMPENSATION TO THE TRADE (Through non-ABC Member Publications)

Bureau's present Rules/Guidelines

- Under present rules, a Publisher Member is free to offer any trade commission for distribution of copies for Member and Non-Member publications.
- In case of Member publication if, trade terms offered are above the maximum threshold limit, then those copies do not qualify as Net Paid Sales.
- For obtaining an ABC Certificate, minimum 50% of the Total Sales has to be achieved as Net Paid Sales.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Treating Non-Members extra trade commission as indirect incentive for ABC Member Publications is arbitrary. Therefore, no change from Bureau's present Rules/Guidelines.

20. SUBSCRIPTION COPIES TO SCHOOL STUDENTS

Bureau's present Rules/Guidelines

- Under Bureau's present rules, variations in selling price between different editions is permissible.
- Subscription rate for different categories can be prescribed upto 50% of the cover price of the publications/editions for the relevant period.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

- Bureau's existing rule permitting variations in selling price between different editions to continue.
- Overall discount/premiums/incentives/gifts including commission to the trade and/or distribution/delivery charges permitted upto 90% of the cover price for the relevant period in case of Subscription Sales.
- Students and/or any other category of subscription copies to carry all advertisements as per the main edition.



21. SAMPLING EXERCISE BY MANUFACTURERS WITH A MAGAZINE

Bureau's Present Guidelines:

Under Bureau's present rules, the gross trade terms in the hands of agents include apart from basic commission other facilities such as office allowances, transport allowances, bonuses, rewards, incentives, ex-gratia payments, value of gifts/ incentives consistently offered under any scheme to the distribution trade.

Further the reimbursement made by Publisher's for the expenses actually incurred by the distributing trade on their behalf for services rendered other than those relating to the sale of copies is not included in gross trade term provided, necessary documentary evidence in support of actual expenses incurred by agents for such services is available for auditors verification.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

No change in the Bureau's existing guidelines. However, no separate handling charges to be permitted for payment to the Trade for carrying a sample, particularly in view of revision of the Trade Terms to Agents.

22. ADVERTISEMENT CONTENTS IN A PUBLICATION

Bureau's present Rules/Guidelines

Regarding Advertisement contents in a Publication, Bureau has no specific rule in this regard at present.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

All advertisements taken by a Publisher should appear in all copies of the respective edition unless, a separate advertisement rate is prescribed and offered for a specific edition.



23. ABC CAMPAIGN HIGHLIGHTING THE ADVANTAGES OF BEING A MEMBER OF THE BUREAU:

Bureau's present Rules/Guidelines:

ABC campaign highlighting the advantages of Membership recommended.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

May be taken up by the Publisher Members as a service to the Industry.



24. BUREAU'S CODE FOR PUBLICITY

Bureau's present Rules/Guidelines

All ABC Publisher Members are required to strictly follow the various provisions of Bureau's Code for Publicity.

Relevant Publicity Code prohibits Publisher Member from using print order figures, present circulation etc. for the purpose of publicity.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

For the purpose of promotion and publicity, only figures of Net Paid Circulation as per the ABC Certificate to be permitted.

25. DETAILS ON ABC CERTIFICATE

Bureau's Present Rules/Guidelines:

- Presently, ABC Certificate shows only such copies which are certified as Net Paid Sales i.e. upto 35% trade term in case of Dailies and 40% trade terms in case of Weeklies/Magazines.
- Copies sold above the prescribed ceiling of trade terms are not shown on the ABC Certificate.
- Copies sold to Institutions and distributed free/complimentary copies are shown separately but not included as part of Net Paid Sales.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Council has recommended that the circulation figures certified be categorised into Paid, Other Paid and Free. Further, the ABC Certificate should provide distinctly the following information:

- Details of number of copies sold at various trade terms upto and beyond the maximum threshold limits.
- Details of subscription copies to various segments viz schools, senior citizens, public etc.
- Details of copies paid for by Institutions in Bulk viz. Airlines, Hotels, etc.
- Details of copies distributed free to clients, office staff etc.
- Average copies sold at various cover prices on each Day of the Week in a tabular form.
- Details from Publishers/Auditors Responsibility statement.



26. NEW ADMISSION TO MEMBERSHIP - PUBLISHER MEMBERS

Bureau's Present Rules:

All prospecting Publishers who apply for Bureau Membership other than from the date of starting/launch are subjected to a 'cooling off' period which comprises of the period in which Publisher applies for membership and subsequent one six monthly audit period during which a surprise check by the Bureau Auditors is carried out to verify whether the new Publisher applicant is complying with all audit procedures and guidelines. If the Bureau Auditor's report, at the time of surprise check, the new Publisher applicant did not follow certain provisions of Bureau's Audit guidelines, then on the basis of the Bureau Auditor's report, Bureau's Council, as per rules, do not recommend acceptance of the application for Bureau membership from the said Publisher applicant.

Reference:

Under these circumstances, if the Publisher, thereafter, (after the date of surprise check by Bureau Auditors) undertakes to follow all the Bureau's guidelines, whether the said Publisher applicant can immediately apply for re-admission to Bureau Membership by paying fresh admission fee? If not, then after how many audit periods should such a new Publisher applicant be permitted to re-apply for Bureau Membership? Should there be a penalty over and above the fresh admission fee, as the Publisher should be aware of the rules before sending the first application for Membership.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Publisher applicant can apply afresh for Bureau Membership after six months (following audit period) along with fresh admission fee and 100% penalty thereon to be paid by the Publisher applicant.



27. NO. OF CHANCES A NEW PUBLISHER MEMBER SHOULD BE ALLOWED TO OBTAIN THE FIRST ABC CERTIFICATE

Bureau's present guidelines

No existing prescribed rule as to number of chances a New Publisher Member should be allowed to obtain the first ABC Certificate and consequent Admission to Membership.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

No restrictions recommended on number of chances for filing circulation figures by a New Publisher. However, the Publisher should reimburse the Bureau all expenses incurred on admission audits by Bureau's Auditors.



28. RESPONSIBILITY STATEMENT

Bureau's present guidelines

- Bureau's present audit guidelines requires Publisher Members of Dailies to submit a responsibility statement stating whether the net sale price of their newspaper at the maximum trade terms offered to the distribution trade was higher than its value in waste or vice-a-versa. The same is authenticated by the Auditors.
- Responsibility Statement is obtained to ascertain cases where value in waste is higher than the net selling price to agents.

NEW AUDIT GUIDELINES AS PER COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Bureau's present guidelines as above to continue. However, in addition, information relating to the Responsibility Statement to be provided in the ABC Certificate.

29. FUSION OF CIRCULATION AND READERSHIP DATA

Presently, ABC Circulation Data and NRS Readership Data are reported separately.

COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Recommended to develop a suitable software for fusion of ABC certified Circulation data and NRS Readership Data.



**30. DEVELOPMENT OF A SUITABLE SOFTWARE FOR STANDARDISED AREA
BREAKDOWN STATEMENTS**

COUNCIL'S DECISION (12TH JUNE, 2004 AT MUMBAI)

Council recommended development of a suitable Software for dissemination of information pertaining to distribution of a Publication as available in the Area Breakdown Statement.