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3rd November, 2006

ALL APPROVED AUDITORS
Cc: Publisher Members

NOTIFICATION NO. 774

Bureau's Council of Management recently decided that all Approved Auditors (Publisher Auditors) empanelled with the Bureau who carry out circulation audit of member publications would be required to carry out a surprise press and market visit atleast once in two consecutive audit periods commencing from the audit period January-June 2007. This initiative would lead to circulation audit of publisher members being more effective and meaningful enabling Publisher Auditors to actually verify the printing process and actual distribution of a publication in the market place including verification of trade terms actually being offered to the trade.

The above provision of surprise press and market visit by Publisher Auditors will however not be applicable to those titles having average Net Paid Circulation upto 15,000 copies covered under Bureau's Notification No. 754 dated 28th December 2005.

Surprise press and market visit should invariably be undertaken by the Bureau's Approved Auditors retained by the Publisher under the following circumstances:

- i) Reduction in cover price by a Publisher Member which normally affects the trade commission to the agents / hawkers.
- ii) Gift / incentive schemes to agents launched by a Publisher Member.

The Bureau has vide its Notification No. 773 dated 1st November 2006 recently prescribed a protocol to be followed by Bureau Auditors during a market visit. It is suggested that the same protocol may also be followed by all Publisher Auditors during their market visit. A copy of the same is enclosed for ready reference.

The broad areas to be covered and reported by the Publisher Auditors during their press and market visit are enumerated in Annexure 'A'.

Publisher Auditors are requested to submit a copy of their report to the Publisher with a copy to the Bureau. The Publisher will be required to offer comments where required on the Publisher Auditor's observations and send the same both to the Auditors as well as to the Bureau.

The above measures would strengthen the process of circulation audit undertaken by the Publisher Auditors.

Sd/-
Secretary General

Encl: (1) Notification No. 773 dated 1st November 2006
(2) Annexure A

AUDIT BUREAU OF CIRCULATIONS

(Annexure A)

Publisher Auditors are requested to report in detail on the under mentioned points (as applicable) for a publication at the time of surprise press and market visit:

a) Press Visit:

- Immediate availability of the print order at the press duly authenticated.
- Number of copies to be printed as per Print Order.
- Number of copies printed and despatched before Auditors arrival as per MRR & availability of despatch records.
- Number of copies printed and despatched during Auditors physical presence at the press.
- Auditors comments on the printing speed and capacity of the printing press as actually observed.
- Scrutiny of despatch labels and despatch details available at the press.
- Mode of despatch.
- Details of maintenance of Machine Room Report.
- Any other relevant matter observed by the Auditors during printing and despatch at the press.

b) Market Visit:

- Names of the centres visited and time of visit.
- Actual number of copies received at the centre.
- As per Publishers record number of copies despatched to the centre.
- Net price at which copies are sold to the trade at each centre.
- Trade terms offered to the agents / hawkers.
- Previous days unsolds.
- Whether cash sale or credit sale.
- Records maintained by the agent.
- Any other observations.