

1st November, 2006

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To,

BUREAU AUDITOR'S

cc: Publisher Members

NOTIFICATION NO. 773

Market Protocol to be followed by Bureau's Auditors

Bureau's Council of Management has considered and laid down the following market protocol to be followed by Bureau's Auditors during their market visits for Bureau audits assigned to them from time to time.

- Bureau's Auditors shall visit market place/s where a particular publication is being printed, published and distributed as intimated by the Bureau. The scope of the market visit inter-alia is to observe and report the actual market practices followed by the concerned publisher member.
- Bureau Auditors to purposively cover all depots / distribution centres in the respective cities / towns where 10% or more of the publication is being distributed. Small depots / distribution centres should also be visited randomly, such random samples selected should be adequate for a meaningful and acceptable statistical conclusion. The market visit may also include visits to trade associations / unions wherever existing.
- Market visit to be undertaken by the Bureau Auditors official representatives only.
- Bureau Auditors to disclose their identity. The aim of the exercise is to ascertain the factual information without any pre-conceived notion.
- Bureau Auditors to check the number of copies received at the depots / distribution centres and verify whether the number of copies tallies with the despatch details earlier noted at the publisher's press / office.
- Information regarding location of publisher's depots / distribution centres as collected by the Bureau from time to time for different cities / towns from member publications would be provided to the Bureau Auditors to facilitate a surprise market visit.
- Bureau Auditors to check the status of actual unsold returns by sub-agents / hawkers.

Bureau Auditors report on the market visit to contain the factual observations on the following points.

- i) System of unsolds observed at the depot / distribution centres.
- ii) Trade commission at which the sub-agents / hawkers purchase the copies from the main agent both in cash as well as on credit.
- iii) In case of credit sales, details of records maintained by the main agent / depot in charge.
- iv) Interaction with the depot in charge / main agent / sub-agents / hawkers.
- v) Ascertain whether any additional incentive over and above the trade commission was offered to sub agents / hawkers based on number of copies distributed.
- vi) Ascertain whether a complete publication including all supplements is distributed to all sub-agents / hawkers.
- vii) In case of combo sales whether all publications offered under the combo offer are distributed together at the declared combo price less trade commission.
- viii) In case, where subscription copies are also being distributed by the same sub-agents / hawkers to ascertain the actual delivery charges received by them for delivery of subscription copies.
- ix) Bureau Auditor's conclusions on their market visit.

The above protocol should be followed by Bureau's Auditors henceforth while undertaking all Bureau's audit assignments.

Sd/-
Secretary General