

Ministry of Information and Broadcasting

FS Desk

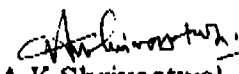
Sub.: BUSINESS POLICY (Costing and other financial issues) for Publications Division (with effect from 31.12.2015)-reg.

DPD's ID note no. 4-9/2012-13/Coord/BW dated 23.10.2015 on the above mentioned subject refers.

2. The Expert Committee on costing and other financial issues (Pricing, Discount, Digital/Print Marketing strategy, Credit and Exchange Facility, Business Practices etc.) pertaining to Business Policy of DPD, constituted vide DPD's reference no. 4-9/2012-13/Coord/BW dated 07.10.2015 to take a comprehensive view on the business related issues of DPD, submitted its recommendations.

3. The committee's recommendations have been approved with minor modifications. The finally approved recommendations will form part of Business Policy (Costing and other financial issues) and are annexed herewith. This would be effective from 31.12.2015.

4. This issues with the approval of the competent authority.


(A K Shrivastwa)
US (FS)

Encls.: As above.

Publications Division (Ms Sadhana Rout), ADG (I/c)}
M/o I&B ID No. 2/2(33)/05-FS (Vol.II) dated 06.01.2016

MINISTRY OF INFORMATION AND BROADCASTING
BUSINESS POLICY (COSTING AND OTHER FINANCIAL
ISSUES) FOR
PUBLICATIONS DIVISION
(WITH EFFECT FROM 31.12.2015)

Clause 1

Publications Division (PD) is a repository of books and journals highlighting subjects of national importance and India's rich cultural heritage. The mandate of the organisation is to preserve national heritage and disseminate the same through the production and sale of quality reading material at affordable prices. It publishes books in Hindi, English and other regional languages and markets them through its nation-wide sales network. Publications Division also publishes magazines and journals on various aspects of Indian life.

To streamline the Business Practices, Pricing, Discount, Digital/Print Marketing strategy, Credit and Exchange Facility, etc. of PD, the Government hereby lays down the Business Policy, 2015 for PD.

Clause 2

1. Pricing of publications:

(i) **18 monthly journals of Publications Division:** Formula for revision of price of journals-

$$\frac{\text{Production cost of all 18 monthly journals}}{\text{No. of copies of all 18 monthly journals}} + \text{Average weighted discount to Agents}$$

On the basis of the above formula, rates up to March, 2017 for journals of DPD shall be as under:

S. No.	Name of the Journal	Subscriber Price per copy Rs.	Subscriber price for 1 year Rs.	Subscriber price for 2 years Rs.	Subscriber price for 3 years Rs.	Subscriber Price for Special issue Rs.
1.	Yojana	22	230	430	610	30
2.	Kurukshe- tra	22	230	430	610	30
3.	Ajkal	22	230	430	610	30
4.	Bal Bharti	15	160	300	420	20

For subscribers abroad, air mail charges as prescribed by India Post from time to time, will also be levied.

(ii) **Employment News:** On the basis of same formula as above, revision of price of Employment News up to March, 2017 shall be as follows:

S. No.	Name of the Journal	Subscription Price per copy Rs.	Subscription price for 1 year Rs.	Subscription price for 2 years Rs.	Subscription price for 3 years Rs.
1.	Employment News	12	530	1000	1400

(iii) **Books:**

- **Royalty Books-** In case of books on which PD is paying royalty to the author, the existing markup of 200% on the cost of production to be levied.
- **Non-Royalty Books-** Publications like India Year Book, Gazetteers etc. on which no royalty is payable, the markup shall be 150% on the cost of production.
- **Hard bound editions-** overhead charges fixed at 250% irrespective of the categories mentioned above.
- **Books of Heritage value-** Books on Gandhi and important national leaders, and books on issues of historical importance are to be priced on 150% markup on production costs.
- **Reprints-** For bulk orders if received within one year of the printing of the book by Publications division, the catalogue price to be retained to be able to execute bulk orders. Such orders 1000 copies of a single title. After 1 year 15%, 2 years 20% and 3 years 25% will be charged extra as mark up towards increase in cost/overheads.

Clause 3

Price of digital publications and marketing arrangement:

(i) **For e-books:**

- The price of e-book to be at par with print books with 25% discount on the price to be passed on to readers. In effect it would be 75% of the p-book.
- Publications Division to utilize the marketing platform for sale of its e-books with a revenue sharing ratio of 70:30 (DPD:Platform) on the price of e-books.

(ii) **For sale of p-books:**

- Publications Division to have marketing tie-ups with e-tailers for better visibility and accessibility of its publications. The system for paying cost for utilization of service of e-commerce platforms as

discount offered to e-tailers by Publications Divison, to be observed for 2 years to review the performance and further action to be initiated after 2 years.

- Meet the entire logistic costs proposed by e-tailers with the ceiling of 45% of proposed discount on per unit sale.
- Approval of 'sale and return' of select publication in case the purchaser does not honour the order (The return delivery charges will be included in the ceiling of 45% discount).

Clause 4

Revision of discount structure:

(i) On Books:

- For Agents/Distributors:

Sl. No.	Monetary limit	Approved discount	Registration charges (Non-refundable)
1.	Upto Rs. 10,000/-	25%	Rs.1000/-
2.	Rs. 10,000-Rs. 2 Lac	35%	Rs.1000/-
3.	Rs. 2 Lac – Rs. 5 Lac	40%	Rs.1000/-
4.	Over Rs. 5 Lac	45%	Rs.1000/-

- Extending discount beyond Agents: The same discount structure can be applicable for individuals, libraries, government institutions, NGOs etc. who are willing to purchase PD publications in bulk with the defined monetary limit suggested for Agents. Authors, if they want to purchase their books, can avail the same discount as Agents. In case, limited books are purchased by them, they will avail 25% discount on the price of the book.
- Bulk order for Government Agency/Autonomous Bodies and provision of dispatch cost: A maximum of 45% discount approved provided any offer given by them for betterment of revenue for PD will be followed.
- Discount on sale from DPD offices:

Sl. No.	Purchase Value (In Rs.)	Discount
1.	1000/-	10%
2.	2000/-	15%
3.	3000/-	20%

- Discount on Fairs, Exhibitions including insitu exhibitions:

Sl. No.	Purchase Value (In Rs.)	Discount
1.	1000/-	10%
2.	1001-2000/-	15%
3.	2001-3000/-	20%
4.	3001-10000/-	25%
5.	10001-200000/-	35%
6.	200001-500000/-	40%
7.	500001/- and above	45%

(ii) On Monthlies-

- Discount structure for Agents(eighteen monthly journals):

No. of copies	Discount
20-99	25%
100-250	35%
251 and above	40%

- For category availing 25% discount the number of copies for Agents should start from minimum of 20 copies of consolidated demand taking into account all the magazines.
- The same discount structure to be made applicable to individuals, organizations, libraries government institutions, NGOs etc. who are willing to purchase our publications in bulk on payment basis.

(iii) On Employment News (Weekly)

The following discount structure shall be for the weekly:

- For agents/Distributors:

No. of copies	Discount
20-99	25%
100-250	35%
251 and above	40%

- For Organisations, NGOs, Institutions, PSUs etc. asking for bulk supply, discount may be given as per no. of copies purchased.

- For individual subscribers also discount may be extended as per no. of copies purchased.

Clause 5

(a) Additional discount for old/damaged publications: Additional discount for such publications will be as under:

- i. Publications older than five years-50% discount.
- ii. Publications older than seven years-60% discount.
- iii. Publications older than ten years-90% discount.
- iv. Publications older than 15 years, such publications can be given away as donations to National Libraries, National archives, Sahitya Academy Library and all central universities libraries. In case of regional language publications, such publications may be donated to all State/National central universities recognized by UGC (**Last ten copies of each of such publications may be retained in the store as record copies**).

(b) Writing off losses for damaged publications: As per the provisions of GFR.

Clause 6

Credit and exchange facility for Agents-

- Credit facility to the agents proportionate to their EMD with sixty days of credit may be permitted. The amount of credit can be enhanced against suitable Fixed Deposit. In case the agent fails to make the payment within the stipulated period, the organization will encash the Fixed Deposit and his Agency would be downgraded to a lower slab of discount rate.
- The facility of exchange publications within 60 days of billing to the Agents availing discount of 45% is allowed. They would be permitted to exchange 10% of the gross value of the publications purchased in a year. The exchange of books is allowed only within sixty days of the billing period and publication should be in good saleable condition. This facility initially to be provided two times in a calendar year.

The exchange **would not be** applicable for the annual reference book India/Bharat which has a limited shelf value.

The exchange is applicable on books purchased on net price and would not apply on books purchased on additional discounts.

- Home Library Scheme with membership fee of Rs. 100/- and discount of 20% on purchase of books.

Clause 7

Arrangement for marketing of DPD Publications

Publications Division to have arrangements for marketing of its publications with all national level book publishing organisations like National Book Trust, Sahitya Academy or State Level Academies who interested to display and sell the publications of the Division and they will be covered under the agents discount of 45% along with the condition of display.

Clause 8

Provision of Gratis

This provision is discontinued with immediate effect.

Clause 9

Review of Business Policy/Guidelines annually

Publications Division to undertake the review of pricing of books and journals on the basis of guidelines given above at the beginning of calendar year to be effective from beginning of financial year.
