

Survival Challenges

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Preface

As in the past, I try to be as comprehensive as possible to include all stuffs related to media in Bhutan. There might be some misses, comments are welcome.

Rays of hope for a better-informed society was not clear in Bhutan during the year-under-review. Despite democratisation, Bhutanese government remained reluctant to allow a free press to operate independently. Specifically, the government was not resistible to critical news stories about the government and the ruling party.

Media-government relations remain strained until the elected government dissolved.

Survival challenge for private media clung to the top of the list with government imposing secret ban on public advertisement to those media who are critical of the government. Even after revelation, the government hasn't publicly withdrawn its secret-killing mission. This has negative impact on working journalists who remain unpaid for several months.

Right to Information bill and proposals for new private TV channels dominated the public discourse. Bhutan Information, Communication and Media Authority (BICMA) stalled the process of issuing license for TV channel at the last hour without giving satisfactory results.

Public accessibility to media remains very low. Private and public media are urban centric. Radio (Kuzoo FM and BBS Radio) rules the rural life.

Social media appear more effective and influential, but still urban centric.

Good beginning

In the initial days of Bhutan's transition from absolute to constitutional monarchy, journalists earned encomiums from the government for uncovering serious evidence of wrongdoing at the very top of the official pyramid. Over the year under review, the Bhutanese media served a valuable function of public information in putting out details about the grant of mining concessions in a part of the country, in which a near relative of the Prime Minister was believed to have made windfall gains. This was called in media shorthand, as the Bjemina scam. There were similar exposes on the contract awarded for the development of a tourism spot in Phobjika and the procurement procedures of the Ministry of Health, which led to resignation of health secretary Dr Gado Tshering.

The status of media freedom in Bhutan has taken a U-turn in Bhutan. More incidents related to freedom of expressions and speech were observed last year compared to last year. The media industry faced other multiple challenges including survival challenge.

No doubt, media in Bhutan played a key role in bringing about transparency, fighting corruption, informing and educating people, keeping the government on its toes, checking abuse of power, promoting human rights and strengthening democracy. This of course has not been without its fair share of controversies and accusations¹.

In the initial days, journalists were hailed as heroes by the government for delving into stories like Bjemina, Phobjika, health ministry's procurement scam, etc. as none of them affected the current government² but exposed the corruption involving former bureaucrats and politicians.

Intolerance to criticism

However, over the course of the year, as the media also delved into stories like Bhutan Lottery, Gyelpozhing land scam, Education City, Chang Ugyen case and Trowa Theatre land-lease corruption the tune of the government changed drastically from support to open hostility.

¹ *Private media and democracy*, The Bhutanese, 18 August 2012 available at <http://www.thebhutanese.bt/private-media-and-democracy>

² *Govt-Media relations have reached an all time low*, The Bhutanese, 03 August 2012 available at <http://www.thebhutanese.bt/govt-media-relations-have-reached-an-all-time-low/>



In several occasions, Prime Minister alleged, citing such investigative reporting by newspapers, that media in Bhutan is trying to bring down his government.

The continued tussle between private media and the government keep them at distance. In one of its editorial *The Bhutanese* mentioned, government – media relations have reached an all time low this year³.

One sign is the increasing hostilities is observed in ‘Meet the Press’, hosted by the government every month. It is no longer an event that journalists look forward to attending and asking questions because do not respond to if any sensitive and valid questions are raised by the media persons by either ignoring or defaming the reporters or media organization involved. The event has become a feared venue for journalists where legitimate stories are lampooned and political dirt is thrown on the integrity of papers and journalists.

This hostility towards the media will impact the development of a free media, strengthen corruption and in-transparency, hamper good governance, limit democratic rights of citizens, affect free and fair elections in 2013 and over time contort our democracy into a virtual dictatorship.

Survival challenge for Bhutanese private media appeared harsher this year. This new industry not only faced financial shortage but also positive support from the government.

³ *Govt-Media relations have reached an all time low*, *The Bhutanese*, 03 August 2012 available at <http://www.thebhutanese.bt/govt-media-relations-have-reached-an-all-time-low/>

The government continued efforts to silence critical media. One of the easiest ways to destroy free media is to hit media houses where it hurts the most - its advertisement revenue. The calculation is simple in Bhutan. As government singles out where the public advertisement must go, those not getting it will obviously die. Over 80 percent revenue for media in Bhutan comes through public advertisement.

A year before year the government had proposed public advertisement based on the circulation strength of the media. Private media objected it saying this would obviously benefit state owned media. Later it was agreed that evaluation criteria would be 50 percent for circulation strength and 50 per cent for content.

A circulation audit report (audit done only of four newspapers) was published in December 2012. According to the report on circulation and reach of the print media between January and June 2012, *Kuensel* has the highest circulation and *Bhutan Observer*, the highest reach⁴. *Kuensel* doesn't reach Gasa and Dagana and *Bhutan Observer* doesn't reach Gasa. *Bhutan Observer* has the highest circulation figures and highest paid PDF subscription among the private newspapers. Among all the newspapers, *Kuensel* has the highest circulation figures in both print and PDF. Among the four audited newspapers - *Bhutan Observer*, *Bhutan Today*, *Kuensel*, and *The Journalist* - *The Journalist* doesn't have reach in Pema Gatshel. Other papers that opted to be audited were *Druk Neytshuel*, *Bhutan Times*, and *The Bhutanese*. However, *Druk Neytshuel* didn't have records, *Bhutan Times'* records were not auditable, and *The Bhutanese's* records were not reflected, the report said.

Department of Information and Media (DoIM) conducts circulation and reach audit for newspapers biannually in close collaboration with the Audit Bureau of Circulations (ABC) in Mumbai, India.

Early last year, that came into public in July, a secret circulation issued by Information and Communication Minister Nandalal Rai stated any departments and institutions under his ministry must stop giving any form of advertisement to *The Bhutanese* bi-weekly newspaper. The circular issued by the ministry on the instructions of the minister Nandalal Rai not only undermined the growth of a vibrant and free media but also destabilized the very foundation of our young democracy⁵.

⁴ *Audit shines light on newspaper figures*, Bhutan Observer, 28 December 2012 available at http://bhutanobserver.bt/1260-bo-news-about-audit_shines_light_on_newspaper_figures.aspx

⁵ Editorial, *Muzzling the Press*, The Bhutanese, 15 August 2012, available at <http://www.thebhutanese.bt/muzzling-the-press/>

Additionally, the Election Commission of Bhutan issued a circular, under pressure from Finance Ministry, saying all future election advertisement is to be given to only *Kuensel*, *BBS* and *Kuzoo FM*.



The circular says, "In obedience to the directives contained in the circular No. MoF/R-Circular of 11th June, 2012 issued by the Ministry of Finance that government agencies are to publish advertisements in selected medium and not all the papers at the same time, the ECB hereby, notifies all concerned that henceforth all advertisements, public notifications and voter educational and information materials related to elections and the ECB will be

published in [Kuensel](#), televised through BBS and broadcast over [Kuzoo FM Radio](#) only⁶.”

The restriction of election advertisement to private papers would have been a deathblow for most if not all private newspapers that are already on the verge of closure. However, the commission later withdrew the decision.

[International Federation of Journalists](#) (IFJ) expressed serious concern over the government behaviour towards private media. IFJ in a statement said, “We call on the government of Bhutan to review these directives and to follow the official policy which protects an independent media”⁷.



Before we see flourishing media in Bhutan, we already started seeing them dying. *Radio High 92.7 FM* is no more on air since early last year⁸. The media industry and the media regulator BICMA remain unaware of the situation for more than three months.

Ownership issues of the station are cited as the reason closure. Records with BICMA have Ugyen Tenzin as the owner of the radio station.

Clause 2.6 (f) of the Broadcasting License Terms and Condition requires a licensee to notify the licensing authority, in writing, in the event of change in address, contact information, management, changes in operation timings, programme schedule or content, and interruption in broadcasting for longer than two days.

Radio High was launched in August 2010 with thirty employees.

⁶ Dawa Zangmo, *Election advertisement only for govt. owned Press*, *The Bhutanese*, 17 August 2012 available at <http://www.thebhutanese.bt/election-advertisement-only-for-govt-owned-press/>

⁷ Press Statement, *Changes in Government Ad Policy Threaten Bhutan's Independent Media*, IFJ Asia Pacific, 21 August 2012 available at <http://asiapacific.ifj.org/en/articles/changes-in-government-ad-policy-threaten-bhutans-independent-media>

⁸ Minjur Dorji, *Radio High 92.7 FM – now 'low' and 'off air'*, *The Bhutanese*, 18 April 2012 available at <http://www.thebhutanese.bt/radio-high-92-7-fm-now-low-and-off-air/>

In August 2008, before *Radio High* came into existence, BICMA issued a warning to all the private radio stations about suspending or revoking their license for the unprofessional language used by radio jockeys and particularly for flirting on call shows.

The other media companies also survive on debts. The staffs at the companies are either paid very low or not paid for months⁹. The survival challenge is more acute with Dzongkha newspapers due to lack of readership.

For instance, *Bhutan Observer* in November 2012 reported: “The private newspapers are disintegrating by the month. Most of them have become smaller and many are fast losing their staff. Meanwhile, senior journalists and editors are increasingly leaving their profession¹⁰.”

A *The Bhutanese* editorial said, “It is important to have reach and circulation, a vibrant democracy also must have space for diversity of views, opinions, criticism, and ideas which is visible in the private media¹¹.”

There are 12 newspapers, two television channels and six radio stations. The advertisement money alone was not enough to sustain so many media establishments. The government has turned down request for financial assistance.

“It is something you have to solve on your own,” Prime Minister Jigmi Y Thinley said.

He said, the government ‘had done enough and that the private media houses should do more on their part to stay in business’.

“The responsibility of a government in a democracy is to create an enabling environment where the independence and freedom of media are respected, where you are not taken to task when you criticize the government,” he said¹².

Despite challenges, private sector is making efforts to jump into media industry. Few companies have applied for running private TV channel. However, BICMA stalled the process to issue license for private TV

⁹ Vishal Arora, *Bhutan's fourth estate in bad shape*, Asia Times, 24 August 2012 available at <http://atimes.com/atimes/China/NH24Ad01.html>

¹⁰ Pema Tenzin, *Private media disintegrating*, Bhutan Observer, 23 November 2013 available at http://bhutanobserver.bt/1356-bo-news-about-private_media_disintegrating_.aspx

¹¹ Editorial, *Private media and democracy*, The Bhutanese, 18 August 2012 available at <http://www.thebhutanese.bt/private-media-and-democracy/>

¹² Tshering Palden, *The state of the private media*, Kuensel, 6 March 2013 available at <http://www.kuenselonline.com/the-state-of-the-private-media/#.UVJGH1spZFk>

operation. After more than a year's delay, BICMA announced early this year that license would not be issued unless laws are changed¹³.

On November 20, BICMA wrote to the two shortlisted applicants, Singye companies chairman Ugen Tsechup Dorji, and Rabsel Media's Sanghey Tensin, stating its inability to issue an in-principle approval, as decided in the authority's meeting on November 10.

"On detailed review of the emerging broadcast issues, the meeting expressed serious concerns on, among other things, lack of broadcasting regulatory framework, particularly, the impending revision of the Bhutan Information, Communications and Media Act 2006, regulations and rules that are not yet enacted or adopted," BICMA letter states.

It further states, "While the meeting fully empathised with your concerns, the authority regrets its inability to issue an in-principle approval till such time as the revision of the Act is enacted, and specific regulations on implementation of the Act are issued by the ministry¹⁴."

In response, a promoter of private television station has filed a case against the regulator with the media tribunal appellate¹⁵. The promoters say they have invested millions through the process and it incurred them huge loss due to the delay. The tribunal unveiled its decision in April second week rejecting allegation by the promoter. The tribunal said, there is not ground for appeal because BICMA has not rejected to issue the license. The tribunal further said, BICMA has said 'yes' or 'no' to issuing license¹⁶.

From the four EOIs for starting a private television station, Thimphu TV, and the Tashi group had met all the criteria. If BICMA had worked as per plan, it should have given the license in between December 15, 2011 and January 2012 or by May 2012 if any applicant requested for extension.

BICMA started working on a policy to license TV stations on the government's directive. On March 2, 2011, the ministry of information and communications (MoIC) directed BICMA to license Bhutanese companies to establish and operate private television broadcasting service (TBS) in the country.

¹³ Sonam Pelden, *Pvt. TV licensing must await passage of bill*, 29 January 2013 available at <http://www.kuenselonline.com/pvt-tv-licensing-must-await-passage-of-bill/#.UVJHPlspZFk>

¹⁴ Sonam Pelden, *Pvt. TV licensing must await passage of bill*, 29 January 2013 available at <http://www.kuenselonline.com/pvt-tv-licensing-must-await-passage-of-bill/#.UVJHPlspZFk>

¹⁵ *Private TV station promoter files case against BICMA*, Bhutan Broadcasting Service, 9 Mar 2013 available at <http://www.bbs.bt/news/?p=24441>

¹⁶ Bhutan Broadcasting Service, *No ground for appeal: Appellate Tribunal on private television station* 18 April 2013 available at <http://www.bbs.bt/news/?p=25958>

The move comes amidst recommendation from media expert for limited cross media ownership in Bhutan. Today Bhutan does not allow one company or person to own more than one kind of media. As such those running newspapers and radio were banned from applying to run a TV channel.

Given the benefit of “economies of scale”, the draft media policy recommends cross media ownership to a “limited extent” in Bhutan.

It states that this phenomenon of media cross ownership is observed the world over, and that it would make economic sense for a newspaper owner to also own a radio station.

The policy however points out that, “the major concern with cross media ownership is concentration of ownership in a media market, such that a “cross-owner” can then exert undue influence on the market and raise prices,” and that rules need to be developed to prevent market concentration and abuse of market power.

The recommendation was made by the consultant the ministry had hired from Singapore, Professor Peng Hwa Ang, who is the director for Singapore Internet Research Centre at the Wee Kim Wee School of Communication and Information, Nanyang Technological University¹⁷.

The recommendation states that this phenomenon of media cross ownership is observed the world over, and that it would make economic sense for a newspaper owner to also own a radio station. But there are concerns over undue influence over market due to concentration of ownership.

Amidst this circumstances, the parliamentarians during ninth session of the house briefly discussed whether the *BBS* should be privatised¹⁸.

BBS, the only public broadcaster in the country, is one of the highest subsidy recipient corporations of the country.

The Kabji-Talo MP Tshering Penjore said the second channel of BBS has led to increased expenditure which has in turn has increased the subsidy amount to be given by the government.

The Labour Minister Dorji Wangdi said in a democratic set up, media plays a crucial role of informing people. “BBS has and is doing a good job. If the Government privatises BBS or reduce subsidy, it might affect the quality of news.” He said if media are not financially sound,

¹⁷ Sonam Pelden, *Limited cross media ownership mooted*, Kuensel, 26 January 2013 available at <http://www.kuenselonline.com/limited-cross-media-ownership-mooted-2/#.UVJHZFspZFk>

¹⁸ *Should BBS be privatised?* Bhutan Broadcasting Service, 27 June 2012 available at <http://www.bbs.bt/news/?p=14633>

there will not be a proper dissemination of information which will affect the democratic procedures in the country.

The Trongsa MP Rinchen Dorji also said the Government should provide financial support to BBS and not privatise it. “BBS get revenues only from a few advertisement and announcement. It provides education to the people for example on prevention of diseases, on religion and culture.”

The Finance Minister, Wangdi Norbu, said *BBS* is not a profit-making corporation but has a crucial responsibility of disseminating information to the public.

Constraints

Anonymous bloggers and critical media outlets became the target of government action. In February 2013, Druknet, the largest ISP in the country owned by the state, blocked anonymous blog *Bhutanomics*¹⁹. Though Druknet denied blocking²⁰ it and information ministry denied giving any instruction of that kind, [Bhutanomics](#) maintained that “inability to view our website only through Druknet confirms the fact that we are banned. The government has no control over Tashi and Samden.” [Tashi](#) and Samden are private ISPs.

A month later, *Kuensel* wrote, quoting unidentified sources, that [Bhutan Information, Communication and Media Authority](#) (BICMA) directed the country’s Internet Service Providers (ISPs) to block the anonymous website in accordance to the verdict by Phuentsholing district court in response to a defamation case filed by an individual²¹. It’s the nature of Bhutanese court to pass on the judgement without actually asking defendant to appear before the court or not let the verdict go public.

The blog is permanently blocked from viewing inside Bhutan from March 15, 2013. The BICMA is said to have directed Internet service providers to block the site after the issuance of a court order²².

¹⁹ Gyalsten K Dorji, *Website alleges being blocked*, *Kuensel*, 2 February 2013 available at <http://www.kuenselonline.com/website-alleges-being-blocked/#.UVJHGIsPZFk>

²⁰ Minjur Dorji, *Druknet denies allegations of blocking Bhutanomics*, *The Bhutanese*, 06 February 2013 available at <http://www.thebhutanese.bt/druknet-denies-allegations-of-blocking-bhutanomics/>

²¹ Gyalsten K Dorji, *Court orders Bhutanomics website block*, *Kuensel*, 16 March 2013 available at <http://www.kuenselonline.com/court-orders-bhutanomics-website-block/#.UVJFuVspZFk>

²² *Bhutanomics blocked a second time*, *Bhutan Broadcasting Service*, 16 Mar 2013 available at <http://www.bbs.bt/news/?p=24672>

The [Bhutanomics](#) website appeared on the Internet in early 2012, and allows users to post articles on current and past social and political issues, both serious and satirical.

Some alleged Opposition Leader in National Assembly Tshering Tobgay was behind running the blog, which he denied²³.

In the last week of July 2012 Education minister Thakur Powdyel alleged two reporters from *The Journalist* of improper personal behaviour in investigating a student suicide case of Kamji Middle Secondary School. Prime Minister Thinley alleged that the article was 'irresponsible' and that 'great harm' had been done.

Two reporters – Tshering Wangchen and Adarsh Gurung – were alleged to have visited the school in informal dress, intimidated and provoked principle during the interview and smoked inside school premises.

Three months later [Bhutan Information, Communication and Media Authority](#) (BICMA) investigation revealed no evidence of such behaviour²⁴. BICMA's only caution to the two journalists is that a few children interviewed were below 16 years of age and so parental consent is required as per the Journalist Code of Ethics.

On May 20, 2012 a student of KMSS committed suicide but the issue actually surfaced after [The Journalist](#) ran a story on June 17.

[The Journalist](#) in July 2012 had filed a request for intervention to the Journalists Association of Bhutan on the grounds that the allegations by the minister had irreparably damaged the reputation of the paper. JAB did nothing over the issue.

The online journalism suffered heavily from hackers in the Bhutanese cyberspace.

Indicating vulnerabilities in local website design and hosting, a significant number of websites hosted with [Druknet](#) were hacked or defaced in the past year. This include website of most of the newspapers like *Business Bhutan*, *The Journalist*, *Bhutan Times* and some government websites. Today, government agencies have their own data servers.

²³ *Imposter!* Tshering Tobgay's Blog, 27 February 2013 available at <http://www.tsheringtobgay.com/media/2013/impostor.html>

²⁴ Minjur Dorji, BICMA findings show that 'bad behavior' allegations against reporters are untrue, *The Bhutanese*, 03 October 2012 available at <http://www.thebhutanese.bt/bicma-findings-show-that-bad-behavior-allegations-against-reporters-are-untrue/>

Currently, Druknet does not seem to use any technology to monitor their customers' websites²⁵.

In the first week of January the media were barred from attending the annual education conference being held in the border town of Phuentsholing. The reason given was the media always focused on the not so positive aspects while writing news of the event.

“We had a very bad experience on how the issues were wrongly interpreted by the media last year,” she (Education Ministry's Chief Planning Officer Dechen Zam) said. “The discussions are most of the time written wrongly.” The chief planning officer however did not specifically mention the media house or the reports that were ‘wrongly interpreted.’

Media persons were asked to leave, soon after discussions on the 10th Plan's achievements and challenges began²⁶.

At the annual conference of the Chief District Officers in February first week this year, the media were asked to leave when the election commission came in to make a presentation related to the 2013 general election. The reason given was that it was an internal consultation.

Same week, during the gups (village headmen) conference, the media were again asked to leave when the land commission officials came to discuss some land swap issues reasoning it is a sensitive issue.

In the same week where election officials from the districts were to be briefed by election commission officials on 2013 elections, the media were asked to leave because “there was nothing to report”²⁷.

[Reporters Without Borders](#) (RWB) which conducts an annual ranking comparing each nation's state of press freedom, has placed Bhutan at 82nd, 12 places down in the rung from last year's 70th position²⁸.

However, Bhutan tops the index in South Asia followed the Maldives which has been ranked 103rd. Nepal has been ranked 118th, Afghanistan 128th, India 140th, Bangladesh 144th, Pakistan 159th and Sri Lanka 162nd.

²⁵ Gyalsten K Dorji, Hackers run amuck in Bhutanese cyberspace, Kuensel, 22 December 2012, <http://www.kuenselonline.com/hackers-run-amuck-in-bhutanese-cyberspace/#.UVJleFspZFk>

²⁶ Yangchen C Rinzin, *Media barred from deliberations*, Kuensel, 4 January 2013, available at <http://www.kuenselonline.com/media-barred-from-deliberations/#.UVJIAFspZFk>

²⁷ Editorial, *Barred*, Kuensel, 6 February 2013 available at <http://www.kuenselonline.com/barred/#.UVJG71spZFk>

²⁸ *2013 World Press Freedom Index: Dashed Hopes after Spring*, Reporters Sans Frontiers, available at <http://en.rsf.org/press-freedom-index-2013,1054.html>

Bhutan's ranking by RWB in 2003 was at a miserable 157 which later showed dramatic improvement following the adoption of the Constitution among other reforms. However, Bhutan's ranking has rapidly dropped in the last three years as the government has become increasingly intolerant of criticism²⁹.

The drop in the ranking could be attributed to 'restrained' news because of heavy reliance on the government and few corporate organizations for revenue generation, which places them in vulnerable situations. Several players and situations also threaten editorial independence, which is an important aspect of the media.

An alert issued by the Indian Intelligence Bureau in December putting *BBS* of Bhutan as one of the 24 foreign channels who broadcast anti-India TV shows³⁰ stirred debate in Bhutan.

According to India media reports, the decision came after an alert issued by the Indian Intelligence Bureau. The Bureau put on notice 24 foreign channels including the *BBS* as broadcasting anti-India TV shows, said to be one of the causes of communal discord in India.

Bhutan's information ministry refuted the claims and the then Indian Ambassador to Bhutan Pavan K. Varma trashed the report saying it was incompetent and shameful³¹.

Social Media

Social media appeared to be the strongest media in Bhutanese context – be it in politics, entertainment or in social cause.

The Facebook initiative for rebuilding 374 years Wangduephodrang Dzong destroyed by fire in June 2012 drew nationwide attention. In less than 3 days, 24,654, members joined the initiative³². The page was not created to collect money but to share updates on donation drive processes, rebuilding plans etc.

The politicians have gradually realised the influence the power of social media. Many politicians have now their own Facebook and

²⁹ Minjur Dorji, *Bhutan's press freedom index ranking drops by a record 12 places*, The Bhutanese, 06 February 2013, available at <http://www.thebhutanese.bt/bhutans-press-freedom-index-ranking-drops-by-a-record-12-places/>

³⁰ *Red-flagged 24 foreign hate channels for spreading anti India sentiments*, News Bharati, 7 December 2012 available at <http://newsbharati.com/Encyc/2012/12/7/IB-alert-Red-flagged-24-foreign-hate-channels-for-spreading-anti-India-sentiments.aspx>

³¹ *BBS TV among hate channels, 'an incompetent report': Ambassador Pavan K. Varma*, Bhutan Broadcasting Service, 25 Dec 2012 available at <http://www.bbs.bt/news/?p=21580>

³² Ugyen Dorji, *Rebuilding Wangduephodrang Dzong the facebook way*, The Bhutanese, 27 June 2012, <http://www.thebhutanese.bt/rebuilding-wangduephodrang-dzong-the-facebook-way/>

twitter accounts³³. PM Thinley has Facebook while opposition leader has both. Including them, most leaders are now using Facebook to connect with their voters. Chief Election Commissioner Kunzang Wangdi is also an active user of social media like Facebook and Twitter.

[Election Commission](#) sensing the misuse of social media during the elections came up with the Social Media Policy³⁴.

This move has been undertaken to ensure proper usage of social media by the ECB, election officials, political parties, candidates, party supporters, and the media houses during or outside the election period.

According to the ECB, the objectives behind this policy are to promote responsible communications among electoral stakeholders through cellular technology, to ensure a level playing field for all the contestants and political parties in the use of this technology and to prevent and control any violation of the electoral laws in the use of social media during elections.

The rules disallow individuals from communicating hate, defamatory, or any kind of message, intended to reduce the electoral chances of an opposing contestant or political party. It also forbids the inclusion of rumour and unsubstantiated statements that could mislead or deceive receivers of the message.

ECB will also be imposing a 48-hour blackout period, before and until the close of polls. In this blackout period, no social media user will be able to campaign, support or oppose any political party or candidate. Personal emails will be exempt from this blackout period, but only if the content again is not related to political advertising. Violations of these rules could lead to criminal charges³⁵.

All the media agencies who cover the [National Council](#) elections 2013 were asked to sign a letter of undertaking with the Office of Media Arbitrator ahead where media permit will be issued by the Election Commission and the media agencies must make sure that the roles played by the media and the media functionaries are to be balanced and fair which lead to free and fair elections.

³³ Gyalsten K Dorji, *The social media's a sounding board*, Kuensel, 19 December 2012, available at <http://www.kuenselonline.com/ktwosection/the-social-medias-a-sounding-board/#.UVJlu1spZFk>

³⁴ Thinley Wangmo, *Misuse of social media for politics prohibited*, ECB, The Bhutanese, 31 August 2012 available at <http://www.thebhutanese.bt/misuse-of-social-media-for-politics-prohibited-ecb/>

³⁵ Gyalsten K Dorji, *Regulating social media users?* Kuensel, 19 December 2013, available at <http://www.kuenselonline.com/ktwosection/regulating-social-media-users/#.UVJInVspZFk>

During the election no media agencies are permitted to broadcast or publish anything that can be construed as campaigning before the instigation period.

Each candidate will [sic] be given a maximum of ten minutes broadcasting time on the radio and three minutes on television as per the space and the time schedule prepared by the Office of the Media Arbitrator. Each candidate will [sic] be allowed two minutes of audio segment for Radio broadcast and one minute of video segment for the television broadcast as per the agenda of the Media Arbitrator. No media coverage, promoting candidates during the 48 hours preceding the polls and until the poll closes, will [sic] be allowed³⁶.

As in previous elections, this year [Election Commission](#) held no special session for journalist on covering the elections. However, the [Bhutan Media Institute](#) (BMI), in January, announced to train 20 university graduates to cover elections³⁷.

The media organizations welcome the move, who already are facing a shortage of human resources to deploy in the various stations during the elections period.

The BMI has worked with prominent agencies like [Agence France-Presse](#) (AFP), the [Thomson Reuters Foundation](#), and [Centre for International Media Ethics](#) (CIME) and other agencies to train these graduates.

New Media

For the first time, the [Bhutan National Legal Institute](#) launched a new Law magazine and Legal Pamphlet on 21 February coinciding with the birth Anniversary of His Majesty the King Jigme Khesar Namgyel Wangchuck³⁸.

The program was funded by [United Nations Development Fund](#), [Swiss Agency for Development & Cooperation](#) and the [Austrian Development Cooperation](#) (ADC).

³⁶ Sonam Wangmo, *Media to play by the rules in the National Council elections*, The Bhutanese, 19 March 2013 available at <http://www.thebhutanese.bt/media-to-play-by-the-rules-in-the-national-council-elections/>

³⁷ Puran Gurung, *BMI plans an infantry of 20 Stringers for 2013 elections*, The Bhutanese, 05 January 2013 available at <http://www.thebhutanese.bt/bmi-plans-an-infantry-of-20-stringers-for-2013-elections/>

³⁸ Sonam Wangmo, *Law magazine to be launched on His Majesty's birthday*, The Bhutanese, 20 February 2013, available at <http://www.thebhutanese.bt/law-magazine-to-be-launched-on-his-majestys-birthday/>

The law magazine is circulated directly after the launch in 24 law schools with permission from the Ministry of Education.

Similarly, [Bhutan Broadcasting Service Corporation](#) launched second radio channel exclusively to run program in Dzongkha. Launched on February 21 this year, this 24-hour radio will air programs on current affairs, education health among others. BBS last year had launched its second TV channel.

The second radio channel is aimed at promoting national language Dzongkha but questions are raised whether the information shared from the radio reaches the audience because large population of the country does not understand Dzongkha. It was apparently observed during the recent [National Council](#) Election Debates where even contesting members found it hard to speak in Dzongkha. The language is spoken mostly in north-western Bhutan, despite being the national language.

Radio still rules the media market³⁹. Despite expanding electricity facility, people choose to stick with radio for infotainment and updates. Few are switching to television but radio remains dominant. In many remote areas, even radio signals are inaccessible.

Dovan (Chhudzom) in southern Bhutan is a place completely isolated from any form of media⁴⁰. People said they do not know what is happening in the country.

[Institute of Language and Culture Studies](#) (ILCS) in Taktse, Trongsa, in December launched the third issue of *Dangsel*, the institute's campus newspaper.

The new issue of *Dangsel* carries stories of the arrival of monks from Bumthang to Trongsa, modern education, and interviews with zhungdra singers, among others. Besides the news stories, the paper contains poems written in Dzongkha and Choekey (classical Tibetan language) by the students. The 12-page paper is divided into two sections – eight pages in English and four pages in Dzongkha⁴¹.

The popular online discussion forum [Bhutan Times](#), that announced its closure last year, reappeared as an anonymous blogger. Individuals can contribute to the blog with their pseudo name. It has not been

³⁹ *Radio still rules, at least in rural areas*, Bhutan Broadcasting Service, 13 Feb 2013 available at <http://www.bbs.bt/news/?p=23499>

⁴⁰ Eshori Gurung, *Radio helps overcome ignorance and isolation*, Bhutan Broadcasting Service, 1 January 2013 available at <http://www.bbs.bt/news/?p=21812>

⁴¹ Sangay Wangchuk, *Third issue of ILCS newspaper is out*, Bhutan Observer, 4 January 2013 available at http://bhutanobserver.bt/1257-bo-news-about-third_issue_of_ilcs_newspaper_is_out_.aspx

able to create an extensive forum as it provided during the 2008 elections and thereafter.

RTI Debate

Despite many talks, debates and discussions about the Right to Information (RTI) Bill, the Bill was not introduced during the tenure of the first elected government. While taking oath five years back, the Thinley government had promised to have the RTI Act in place within its first tenure.

Information Minister Nandalal Rai had told the National Council (NC) during the 2010 winter session of parliament that the RTI Act would be ready before 2012.

In the 2011 Round Table Meeting with donors Work and Human Settlement Minister Yeshey Zimba in response to a query assured that the RTI Bill would come in before the end of this government's term⁴².

The information ministry is said to have prepared the RTI draft but the cabinet decided not to introduce it to the parliament. A five-member research team comprising of students from Columbia University (CU), working under Professor Annya Schiffrin in New York, were involved in preparing the government's version of the draft RTI Bill.

The NC member from Gasa, [Sangay Khandu](#) stirred the debate by trying to introduce the RTI Bill as a private members bill during the ninth session of parliament in June 2012.

His version of the draft RTI Bill was submitted to the NC Chairperson on March 16, 2012 to be tabled as Bill in parliament. The bill died after failing to garner enough support of the committee members to include it as the agenda of ninth session. Only 8 of the 25 members in the upper house supported his bill⁴³.

The government version of the RTI draft bill was open for public feedback for a week in July 2012⁴⁴.

⁴² Minjur Dorji, *Government breaks its RTI promise to the people*, The Bhutanese, 21 December 2012 available at <http://www.thebhutanese.bt/government-breaks-its-rti-promise-to-the-people/>

⁴³ *Right to Information enactment fails to garner enough support*, Bhutan Broadcasting Service, 28 June 2012 available at <http://www.bbs.bt/news/?p=14674>

⁴⁴ Minjur Dorji, *Overdue Draft RTI Bill opens for public feedback*, The Bhutanese, 25 July 2012 available at <http://www.thebhutanese.bt/overdue-draft-rti-bill-opens-for-public-feedback/>

A clause under Section 31 of the draft allows denial of information if “the overall harm caused by release of the information would outweigh the public interest in having such information disclosed”.

While there is penalty for officials not providing the required information the Act itself protects officials not providing information.

Officials who deny information under RTI the Act will be held accountable for damages and petty misdemeanour. However, another portion of the Act says that no suit should be brought against an official who acted in good faith.

The ministry had submitted the draft to the cabinet at the last hour but cabinet decided not to introduce it in the parliament⁴⁵.

Experts from India, Bangladesh, USA and the [World Bank](#) in a RTI consultative meeting held in Thimphu in June 2012 advised Bhutan to adopt RTI as an important tool for good governance, transparency, democratization and also to prevent corruption⁴⁶.

Researchers from Columbia University pointed out that some of the happiest and most transparent ranked countries in the world have RTI.

The experts also suggested Bhutan that RTI is important as a democracy requires informed citizenry and transparency to hold the government’s accountable and fight corruption. They said RTI ensures public participation in governance.

Professional Development

All the media organizations in the country are faced with acute shortage of professional human resource and are in dire need of special trainings for employees. A new media study by WEDIA Consultancy commissioned by [Bhutan Media Foundation](#) (BMF) in June noted lack of professional and technical capacity in Bhutanese media⁴⁷.

⁴⁵ Minjur Dorji, *Government breaks its RTI promise to the people*, The Bhutanese, 21 December 2012 available at <http://www.thebhutanese.bt/government-breaks-its-rti-promise-to-the-people/>

⁴⁶ Thinley Wangmo, *Regional RTI experts recommend Bhutan join the club*, The Bhutanese, 02 June 2012 available at <http://www.thebhutanese.bt/regional-rti-experts-recommend-bhutan-join-the-club/>

⁴⁷ Minjur Dorji, *Bhutanese media lacks professional and technical capacity*, The Bhutanese, 13 June 2012 available at <http://www.thebhutanese.bt/bhutanese-media-lacks-professional-and-technical-capacity/>

The study recommends a host of strategies mainly focused on Training of journalists to improve professional standards and quality of media. Shortly after that BMF came up with several training packages for Bhutanese journalists.

The Department of Information and Media conducted a 12 day workshop on “Film making” in December.

There were 40 participants in total and most of the participants were from the [Motion Pictures Association of Bhutan](#) (MPAB) who are well known faces of the local film industry and some students who were interested in script writing and film direction.

Anne Carey, an international film director, actress and a script writer from the United States of America (USA) for the first time trained the participants and directed a short documentary movie called “Last Dragon Kingdom” based on Bhutan⁴⁸.



A three-week long training for reporters, editors and marketing managers of various media organisations was held in Thimphu in July-August 2012 facilitated by three national and seven foreign trainers.

The training, attended by over 100 people linked to media industry, was especially designed to meet the current challenges faced by Bhutanese media professionals.

⁴⁸ Sonam Wangmo, *DoIM media workshop trains local talents*, The Bhutanese, 14 December 2012, available at <http://www.thebhutanese.bt/doim-media-workshop-trains-local-talents/>

Second but two-month long training conducted in October-November 2012 covered Photojournalism, Info graphics, Strategies for survival and growth for different media groups, cartoons and illustration, citizen journalism, political reporting, investigative journalism, Radio jockeying, radio station management, and media ethics⁴⁹.



The custom designed trainings are part of the Foundation's activities that is implemented under BMF's strategic plan (2012-2016)⁵⁰.

In October, [South Asia Freed Media Association](#) (SAFMA) launched its annual report for the first time in Bhutan⁵¹. A half-a-page report on Bhutan briefly talks about government singling out media to stop providing advertisements, re-formation of [Journalist Association of Bhutan](#) (JAB) and RTI debate in the country.

In June 2012, the [JAB](#) signed a Memorandum of Understanding (MoU) with [Department of Information and Media](#) (DOIM) for assistance in establishing its office and a press club. Under the MoU, the DOIM approved Nu 0.7mn to [JAB](#) for the establishment of its office⁵².

This comes as a result of [JAB](#)'s proposal to both [DOIM](#) and [BMF](#) for assistance in establishing its office and a press club.

After almost five years in the making, [JAB](#) was formally established on February 7 2012 with the election of a president and eight other office bearers.

⁴⁹ Upasana Dahal, *A second BMF training workshop for the Bhutanese Media*, The Bhutanese, 10 October 2012 available at <http://www.thebhutanese.bt/a-second-bmf-training-workshop-for-the-bhutanese-media/>

Also see *SOJ Brings News Literacy to Bhutan*, Stony Brook University School of Journalism, 24 April 2012 available at <https://journalism.cc.stonybrook.edu/?p=590>

⁵⁰ *Strategic Plan 2011-2015*, Bhutan Media Foundation, undated, available at <http://www.bmf.bt/wp-content/uploads/2011/07/Strategy-Plan-for-BMF-13-July.pdf>

Also see *BMF comes up with strategic plans for media growth*, Bhutan Broadcasting Service, 11 June 2012 available at <http://www.bbs.bt/news/?p=13962>

⁵¹ *Bhutan Chapter launched South Asia Media Monitor 2012 reports*, Bhutan Observer available at http://bhutanobserver.bt/1276-bo-news-about-bhutan_chapter_launched_south_asia_media_monitor_2012_reports.aspx

⁵² Minjur Dorji, *JAB steps up*, The Bhutanese, 13 June 2012 available at <http://www.thebhutanese.bt/jab-steps-up/>

[Bhutan Centre for Media and Democracy](#) (BCMD) has awarded the Multi Media Journalism Scholarship to Susma Pradhan to study journalism at the World Media Academy, Delhi⁵³.

The [BCMD](#) had earlier conducted a four-day workshop for Bhutanese journalists covering economics and business issues. Around 14 journalists attended the workshop held on 28-31 May 2012 in Thimphu⁵⁴. Media trainer Graham Watts, a former editor of Financial Times, and Anya Schiffrin, director of Journalism Programmes at the Initiative for Policy Dialogue, and acting director of the media programme at [Columbia University](#), were the trainers.

[BCMD](#) successfully conducted its sixth Media Nomads camp in 18-25 December 2012. The programme was initiated in 2011 and since its commencement the Media Nomads program – aimed at promoting media and democracy literacy - has been a continuous success and is organized twice every year for youth from various schools in Bhutan⁵⁵.

The [Open Society](#) Scholarship Programs has asked the journalists from Afghanistan, Bhutan and Nepal to apply for journalism scholarship by 15 February 2013. The program provides opportunities and scholarships for high quality post-graduate study for individuals who demonstrate both academic and professional excellence and the potential to become leaders in the field of journalism.

The Program offers scholarships to pursue a Master of Journalism (MJ) degree. Fellows will be placed at [The University of Hong Kong](#) for a one-year graduate program in Journalism beginning in July 2013 and concluding in June 2014⁵⁶.

The students of the [Royal University of Bhutan](#) (RUB) attended a one-day workshop on 'Writing' on 29 March 2013 at [Royal Institute of Health Sciences](#) (RIHS) in Thimphu. These students are expected to produce content for supplement publications by [Bhutan Observer](#).

'University Today', a page in [Bhutan Observer](#), is a joint effort between the RUB and the newspaper, to inform Bhutan's schools and the university system about the work done by the colleges of the RUB.

⁵³ <http://bcmd.bt/wordpress/?p=238>

⁵⁴ *Journalism Workshop on 'Covering Economics and Finance'* Bhutan Center for Media and Democracy, 28-31 May 2012 available at <http://bcmd.bt/bcmd-home/bcmd-reports/2012.html?download=49:covering-economics-and-finance-report>

⁵⁵ *MEDIA NOMADS VI: "Storytelling that Inspires Change"*, BCMD, December 18-25, 2012 available at <http://bcmd.bt/bcmd-home/bcmd-reports/2012.html?download=51:media-nomads-6>

⁵⁶ *South Asia Scholarship Program*, Open Society Foundation, <http://www.opensocietyfoundations.org/sites/default/files/south-asia-mj-application-20130108.pdf>

“Campus”, “Knowledge in Action,” and “Perspective” are the forums wherein university students and teachers write about research and development in their respective campuses⁵⁷.

In exile

Bhutanese in Diaspora operate several media outlets. Radio programs are aired from Australia and New Zealand. Online media presence is seen in most of the resettled countries.

Two more online news sites remain in operation – [Bhutan News Service](#) and [Bhutanese News](#). Organisation of Bhutanese Communities in America published quarterly magazine *Bhutan* for a while.



[Yuba Sansar](#) radio program outshined all. It was awarded the Multicultural Youth Program of the Year 2012⁵⁸ award by [National Ethnic and Multicultural Broadcasting Council](#) (NEMBC). It also received Human Rights Honour 2012 from [Multicultural Youth South Australia](#) (MYSA) for its role in protecting the rights of the multicultural youths in the state.

Bhutanese also run radio programs in Cairns (Australia), Palmerston (New Zealand) and [Christ Church](#) (New Zealand).

⁵⁷ Yeshi Gyeltshen, *Top RUB students learn reporting*, *Bhutan Observer*, 7 April 2013 available at http://bhutanobserver.bt/7039-bo-news-about-top_rub_students_learn_reporting.aspx

⁵⁸ *Bhutanese-Nepali radio show wins Australian award*, *Nepalnews*, 26 November 2012 available at <http://www.nepalnews.com/archive/2012/nov/nov26/news07.php>

The Youth Friendly Centre (YFC) conducted a four-day long Journalism and Creative Writing Training in September in Beldangi refugee camps in Nepal.

Twenty-four youths from all camps attended the training facilitated by Nepalese journalists⁵⁹.

WWW.IPAJOURNAL.COM

⁵⁹ *YFC begins journalism training*, Bhutan News Service, 24 September 2012 available at http://www.bhutannewsservice.com/main-news/diaspora_exile_resettlement/yfc-begins-journalism-training/

Annex 1

A sneak peek into a journalist's life

By Tashi Deki | 09 May 2012

A room filled with furniture, paper and books lying on tables, reporters on their toes ready to go reporting, some busy typing on their laptops, others at the phone, everyone rushing to meet the deadline....this is what our newsroom looks like and I am sure other newsrooms look pretty much the same.

I just wanted to share a few funny, odd or mysterious incidents that have happened in The Bhutanese newsroom since we started.

To talk about my own experience first, I attended one day of a two-day conference and did a story. The next day was a Saturday when we are off and I went to office in casuals to attend the editorial meeting. Half way through the meeting and the media focal person calls up saying why I have not turned up on the second day. The tone of voice is threatening. She asks for our CEO's number who assures her that we have already done a story on the meet. Luckily for me she is convinced.

In my colleague's case, she had to receive a hundred and one calls from an interviewee asking her if she had quoted him rightly. At the end of it all, he asked that a draft copy of the story be sent to him. Since this is unethical by journalistic rules, she refused, only to receive a long tirade. After she hung up, she went towards the washroom and came out a few minutes later, eyes full of tears and ready to burst into sobs.

Another got scolded by the Thrimpoen when she went out for "familiarization". At that time our paper was not yet launched and he felt she was wasting his time. "You have come at the wrong time while we are freezing in the cold," he snapped (since it was a cold winter day). But my friend laughed it off sportingly.

Sometimes seeking an appointment takes ages and after we get an appointment the person concerned seems to disappear into his office room from where he/she never comes out. But what makes a reporter's day is the fact that when our byline and story comes out in paper we feel well rewarded for our efforts. The realization dawns on us that we are making a difference for the better.

Original link: <http://www.thebhutanese.bt/a-sneak-peek-into-a-journalists-life/>

Annex 2

CIRCULATION & REACH OF AUDITED PRINT MEDIA FOR THE PERIOD JAN - JUN 2012

Sl no.	Reach/ Dzongkhag	Publications				
		Bhutan Observer	Bhutan Today	Kuensel		The Journalist
				English	Dzongkha	
1	Bumthang	9	3	81	22	29
2	Chukha	262	213	638	110	126
3	Dagana	6	9	0	0	25
4	Gasa	0	0	0	0	0
5	Haa	25	16	102	54	20
6	Lhuntse	38	6	41	12	17
7	Mongar	125	16	198	92	20
8	Paro	98	108	298	87	97
9	Pema Gatshel	65	3	113	54	0
10	Punakha	43	6	142	29	11
11	Samdrup Jongkhar	47	13	163	61	6
12	Samtse	39	16	130	36	38
13	Sarpang	53	28	220	59	23
14	Thimphu	783	477	2154	389	603
15	Trashigang	184	54	228	92	40
16	Trashi Yangtse	27	28	59	34	17
17	Trongsa	29	6	55	10	11
18	Tsirang	32	13	35	5	25
19	Wangdue Phodrang	102	19	263	33	29
20	Zhemgang	20	6	47	9	11
21	Total	1987	1040	4967	1188	1148
22	PDF	422	49	1371		
23	Jaigoan	0	0	192	5	0
24	Grand Total	2409	1089	6530	1193	1148

Highest Reach

No Reach

* *Druk Neytshel* opted for the circulation auditing but their records were not available and *Bhutan Times* also opted for auditing but their records were not auditable.

The Bhutanese opted to be audited but their records were not reflected since they were audited from 21st Feb - Jun, 2012.

Comparison of audited circulation figures of last four audit period (April - Sept 2010 to Jan - June 2012) of publications in Bhutan

Publication	Jan - June 2012	July- Dec 2011	Jan-Jun 2011	Apr-Sept 2010
Kuensel (Eng)	6,530	5,667	5,494	6,150
Bhutan Observer	2,409	Not opted	3,451	2,801
Bhutan Times	Records not available	Not opted	3,945	
Bhutan Today	1,089	1,448	2,008	
Business Bhutan	Not opted	1,709		
Druk Neytshel	Records not available	Records not available		
The Journalist	1,148	1,110		



Circulation Audit Guidelines

For Publishers (Bhutan)

PREFACE

Circulation Audit is an important tool to verify actual circulation of a publication which carries advertisements. Advertising Agencies and print media Advertisers should use audited circulation data at all times whilst preparing their media plans.

Circulation audit is a specialised audit which verifies publisher's actual printing and distribution together with verification of publisher's books, records and documents pertaining to circulation. The circulation audit guidelines have been specially prepared for publications in Bhutan with technical expertise and guidance from Audit Bureau of Circulations, India.

A GUIDE TO ABC AUDIT

VARIOUS TERMS USED - BUREAU'S AUDIT GUIDELINES:

1. DEFINITIONS:

1.1 AUDIT:

Examination of publisher's as well as his principal agency/agencies (local or otherwise) distribution, and financial records and corroborative evidences in order to establish the level of circulation and to verify whether the publisher and his concerned principal agency/s has complied with all Bureau's audit guidelines from time to time.

1.2 AVERAGE:

Means average per day, per week as the case may be, of the relevant audit period.

1.3 BACK COPIES:

Any issue of a publication which is not a current issue. The current issue is defined as follows:

- a) Daily Publication - Day of the date of imprint only (In the case of evening Newspapers including copies dispatched prior to the issue for the following date is published)
- b) Weekly - Up to the date of imprint of the next issue

1.4 DAILY NEWSPAPER:

A daily newspaper which is printed and published daily for at least 5 working days in a week except approved holidays.

1.6 DISTRIBUTING TRADE:

A general term applied to agents, hawkers, principal agent (local or otherwise) and any other person engaged in distribution of a publication.

1.7 FREE COPIES:

Voucher, exchange and complimentary copies, and copies (if any) given to agents for onward free distribution for which records are available.

1.8 INSTITUTIONAL SALES:

Copies of newspapers (Dailies & Weeklies) which are either sold directly by the publisher and/or his distributing trade to organisations not connected with newspaper distribution trade provided bonafides of the organisation(s) involved in Institutional Sales are established to the satisfaction of the auditors (Unless Auditors have any evidence to the contrary).

Institutional Sales are accepted for certification only to the extent of 15% of Total Sales.

1.9 LOCAL AGENT:

An agent appointed by a publisher to effect distribution of copies within the town of publication or any of its printing centre.

1.10 PUBLICATION:

A piece of printed matter of regular periodic issue, selling at a prescribed price which may or may not carry advertising.

1.11 PUBLISHING DAY

A Publishing day is a day on which the publication is normally published whether as a regular issue or a special issue, and concurrently or separately in the case of a multi-centre publication. Special issues will be excluded only if they are IN ADDITION to the regular issue.

1.12 RETURNS:

Copies of publication remaining unsold out of copies indented as notified by agents and accepted by publishers and in case of additional copies supplied without agents' indents, all copies reported as unsold by agents whether or not such claims are accepted by publisher.

1.13 SINGLE COPY SALES:

All copies sold to the reader at the prescribed cover price.

1.14 SUBSCRIBER:

Purchaser of a publication on a term contract, whose subscription at the full-prescribed rate has been received

1.15 TRADE TERM:

Commission and allowances etc. mutually agreed to between the publisher and the distributing trade and paid continuously and consistently.

2.0 MACHINE ROOM RETURN:

Machine room return is the record of actual printing as well as confirmation that newsprint issued to the press has been utilised for printing the publication as per the Print Order. It states the number of copies actually printed and sent for dispatch.

Machine Room Return should normally contain the following details:

- i) Issue date with their respective print-runs (if any)
- ii) Number of pages for the respective issue
- iii) Time of receiving the plates
- iv) Start and finish time for each print run for respective editions/print runs
- vi) Number of spoils and make ready copy for each run
- vii) Number of good copies printed, for each run
- viii) Number of copies to be printed as per print order
- ix) Number of paper breaks with timings and time lost in each break
- x) Number of reel changes and time taken for change
- xi) Number of good copies sent for dispatch
- xii) Number of copies spoiled etc. on hand
- xiii) Remark column for any other information by foreman in charge

Machine Room Return states the actual performance of the machine / machines on a day to day basis and should be based

on actual machine running timings and signed by the foreman or supervisor in charge of printing. In case of computerized Machine Room Returns, the source documents on the basis of which computerized record is generated should be maintained and made available for at least one full previous audit period.

3.0 PRINT ORDER:

It is utmost essential that a print order duly signed by an authorized official of the publisher is available at the press before the start of the printing process. Any alteration / correction to the print order should be duly authorized.

The print order should contain the following information:-

- 1) Date of issue
- 2) Total number of pages – main paper + supplements + add-ons if any to be separately mentioned.
- 3) Total number of copies to be printed
- 5) Number of copies to be printed as per different print runs (details to be provided).

Auditors have been specifically intimated to verify the print order immediately before the starting of the printing process.

4.0 PUBLICATIONS PRINTED AT OUTSIDE PRESS:

Where a publication is printed at an outside press not owned by the publisher, printers' bills showing number of copies printed, the rate per form along with the terms and conditions laid down in the agreement between the publisher and third party printers should be maintained and produced for auditor's verification.

Where the printing press is an associate concern, or subsidiary company under the same Management or where proprietors/partners/directors of the printing unit, are also proprietors/partners/directors of the publication, printing records maintained by such printers shall also be made available for the auditors' verification.

Publisher shall arrange for verification of actual printing and distribution of copies as and when requested by auditors.

5. SUBSCRIPTION SALES:

5.1 SUBSCRIPTION OFFERS (Single) :

Following guidelines are required to be fulfilled in case of all single subscription offers:

- a. **Publisher should retain at least 10% of the cover price of the publication, after taking into account discount on cover price, value of gifts, delivery charges, etc.**
- b. Subscription requisition / request in writing from the subscriber needs to be obtained by the publisher and / or his agent(s).
- d. Supply of subscription copies to a subscriber (excluding Government Organizations) to commence only after the subscription amount is received as above by a publisher and / or his agent(s) in full as per the subscription offer.
- e. **Subscription copies supplied to the Government Organizations are exempted from collecting money in advance. Subscription amount maybe collected at the end of the subscription period.**
- f. **Valuation of a gift, branded or customised, to be valued at MRP or cost to the publisher plus 15% as applicable. Gift in the form of cash or cash equivalent is however excluded from the purview of gift.**

Non-compliance of any of the above conditions will render the subscription offer as unacceptable for certification.

6. NON-SUBSCRIPTION SALES – includes Single, Institutional copies etc.

6.1. SINGLE COPY SALES:

All copies sold to the reader at the prescribed cover price.

7. COPIES DISTRIBUTED THRU DISTRIBUTION TRADE:

7.1 DISTRIBUTION COST:

An amount paid to the trade by whatever name called plus any additional incentives / benefit which is directly connected with selling / distribution of the newspaper paid to the trade, the same shall be totalled to arrive at the gross trade term payable to the trade for distributing copies.

An amount not connected with distribution of copies paid / reimbursed to the trade for which supportings are available may not be considered as part of the trade term.

The trade term should be calculated on the cover price of a publication.

Actual cost of transporting publications from the printing location to the distribution centres as per contractual arrangements made by the publisher do not form part of the delivery charges or trade term.

9. OUTSTANDING / ADD BACK OF COPIES:

Whilst calculating the outstanding payment for copies supplied to agents at the end of the audit period as under have to be excluded.

- Local agents - outstanding for more than one month's supply
- Outstation agents – copies outstanding for more than three months supply

Copies which were outstanding for payment in the previous audit period and excluded but payments for which have been received in the immediate subsequent audit period **may be added back as Average Net Paid sales** for certification in the immediate subsequent period equally over the entire audit period of six months.

10. BANKING OF CASH COLLECTIONS:

Publishers are required to deposit into the bank on the same day or the next working day cash received from all sources viz. sale of copies, advertisement receipts and from any other source.

Cash required by the publisher for day-to-day disbursement should be separately withdrawn and not adjusted from the daily cash collection.

Auditor should verify this aspect and establish that actual cash received on all days has been deposited into the bank in full on the same day or next working day and such a transaction is not merely a book entry.

Monthly bank reconciliation statements should be up-to-date and available for Auditor's verification.

11. BOOKS AND RECORDS TO BE MAINTAINED BY A PUBLISHER:

A. GENERAL DELIVERY

1. Cash Book
2. General Ledger
3. Journal Register
4. Bank Statement Consumption Register
5. Bank Reconciliation Statement
6. Trial Balance
7. Cash Sale Records Summary

B. PAPER PRINTING &

8. Print Orders
9. Machine Room Returns
10. Newsprint Stock
11. Newsprint
12. Newsprint Bills
13. Wastage Records
14. Dispatch / Distribution

C. AGENTS

15. Agents' Invoice / Bill Register
16. Agents' Supply Register
17. Agents' Returns Register receipts
18. Credit Note Register / Credit Notes
19. Agents' Ledger

D. SUBSCRIPTION

20. Subscription Scheme
21. Subscribers' form
22. Subscription amount
23. Subscribers Register
24. Dispatch Records

Auditors should include any adverse observation on the scrutiny of the above books and records in their reports to be annexed along with six monthly audit report issued to the publisher.

11.1 Agents Confirmations:

Publishers are required to obtain from their principal agent, sub agents or by any other name called documentary evidence for number of copies supplied to them.

The said written evidence could either be: -

- i) **Advance written indent / orders from agents in support of copies supplied to them.**
- ii) **Subsequent confirmation from agents in cases where advance indents are not available specifying the number of copies.**
- iii) **In absence of (i) and (ii), publisher should obtain monthly statements from agents duly stamped and signed showing number of copies received and those remaining unsold, payment received by either cash, cheque, or demand draft.**

In such cases, it is the publisher's responsibility to obtain the duplicate copy of the statement of account from the agent duly stamped and signed. This monthly statement of accounts duly accepted by the agents should be kept on record for auditor's verification.

11.2 Agents Remittances:

All remittances from agents especially by cash or demand drafts should be supported by documentary evidence such as payment advices, covering letter or statement of accounts. All remittances from agents should be checked with the books of accounts and bank statements.

In order to have an evidence for payment received in cash by publisher's representatives/field staff, a pay-in-slip or money receipt or any other document by whatever name called, duly filled by the agent/dealer detailing name of the agent, place, Bill No. amount paid should be obtained. Auditors may seek direct confirmations from agents if felt necessary.

11.3 Newsprint Purchases and Consumption:

In respect of newsprint purchases and / or loan of newsprint, publishers are required to maintain for Auditor's verification:

- Invoice from newsprint suppliers duly specifying the quantity, rate, amount
- If imported newsprint is used, then all documents pertaining to import of newsprint.
- Transporters bills for transport of newsprint.
- Lorry receipt, gate pass to authenticate receipt of newsprint.

11.4 Newsprint Stock Register:

- Newsprint stocks register should be maintained at all times clearly mentioning the date, quantity, make and / or other particulars of newsprint purchases together details of newsprint issued to the press from time to time.
- Loans of newsprint, if any, either received or given should be clearly specified along with details of debit and credit notes as applicable.
- Newsprint stocks register should be up-to-date at all time and available for auditor's verification.

12. Principal Agent:

An agent/distributor who would effect sales of at least 2,000 copies would be recognized and termed as a principal agent. The principal agent would be required to maintain and provide for auditors verification all relevant books and records pertaining to financial transactions and distribution of copies as prescribed for a publisher.

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