



The aim of the editor is to alleviate the students' community by providing the hand book at a modicum cost. This initiative is made to provide a study material for reference and to refresh their gained knowledge which was induced by the teachers.

This hand book is a reference copy covering the basics and not the proficiency in the

subject. I take this opportunity to thank the authors of various books in the same title for helping me in seeking the references.

Your suggestions and feedbacks are welcome as they will help in further enhancing the content. If the reader feels that, the efforts are to be appreciated then I would like to share and thank **Mr. J. P. Jaideep**, Head, BBA, for providing such a platform to embellish the skills of the faculties and students. I also thank **Ms. K. Aishwarya**, for documenting the notes which took a form of a handbook.

## **P. J's Counselling & Career guidance Center**

*"Your stress can be handled by me, I will make your tomorrow a happy day, travel with me in the journey of making hell to heaven"*

To hear my Voice: +91 99411 3545 7 / 86108 50188

My Virtual Address: [lecturerpj@gmail.com](mailto:lecturerpj@gmail.com)

My Nest @ Valasaravakkam, Chennai - 6000 87.

# **BUSINESS COMMUNICATION**

- Hand Book

*'Make others realize your value  
through your Communication'*  
- P.J.

*Edited by*

**K.RAO PRASHANTH JYOTY**

*M.A., M.Sc. (Psychology), M.B.A., M.Phil., (Ph.D)*

*Assistant Professor, Business Administration*

*Dawraka Doss Goverdhan Doss Vaishnav College (Autonomous)*

*Arubakkam, Chennai - 600106*

## SYLLABUS OF BUSINESS COMMUNICATION

### UNIT I

Introduction to managerial meaning of communication- importance of communication- objectives of communication- principles of communication- forms of communication- communication process- techniques of effective communication- business letter layouts-

### UNIT II

Body language- gesture- posture- facial expression- dress code- listening and speaking- business etiquettes

### UNIT III

Interview techniques- mastering the art of conducting interviews- placement interviews- exit interview- group discussion- meetings- video conferencing- appointment letters

### UNIT IV

Introduction to managerial writings- business letters- enquires- circulars- order letter- acknowledgement letters- sales letters- circular letters- complaint- correspondence with shareholders- agenda meeting- minutes- memorandum- notes

### UNIT V

Modern communication for managers- face book- whatsapp- internet – email- twitter

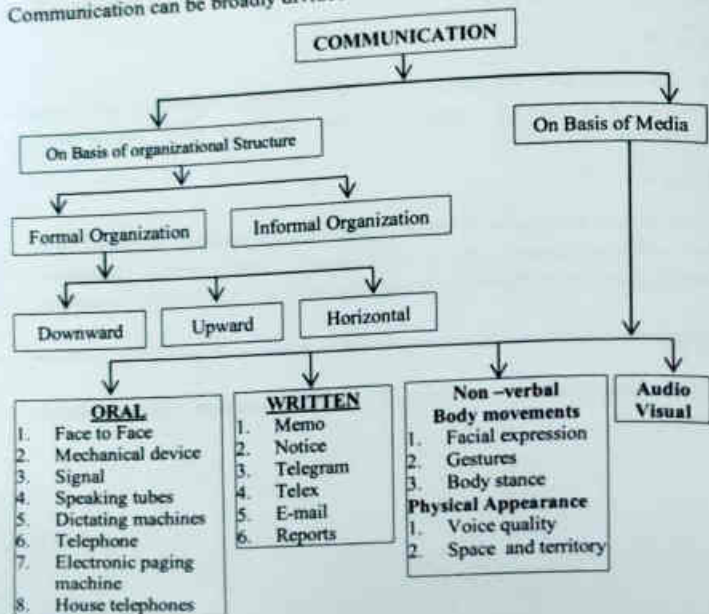
## UNIT 1 COMMUNICATION

According to William Scott "communication is the process which involves transmission and accurate replication of ideas ensured by feedback for the purpose of electing actions which will accomplish organizational goals.

### TYPES OF COMMUNICATION

Communication is an act of influencing and inducing other to interpret an idea in the manner intended by speaker /writer

Communication can be broadly divided into two types



### Importance of Communication

- Achieves Goal
- Solves Problem

- Making Decision
- Removes Controversies
- Enhancing Loyalty

### Principle of Effective Communication

Effectiveness in communication contributes greatly to the successes of manager in performance of their function. The following principle will make effective communication.

- Principle of clarity
- Using simple language
- Orientation of employee
- Sound organizational structure
- Informal communication channel
- Cross wise communication
- Communication channel
- Feedback
- Flexible communication system
- Perceptive listening

### Barriers to Communication

Communication fails due to various reasons. The various barriers are discussed below.

**Perception:** People differ greatly in the way of perception

**Semantic or Language Barrier:** As people vary in their experience and knowledge of communication, sender should select and construct the content carefully

**Perfunctory Attention:** When the receiver is pre-occupied with number of problems, sender faces some problems.

**Status:** Generally those who receive the communication they judge the sender naturally. Hence the sender is its own weight.

**Resistance to Change:** This will be strong when proposed change is great. Sender should explain the benefits.

**Organizational Structure:** If the organizational policies and rules are not clear, smooth flow of communication can't be ensured.

**Premature Evaluation:** It refers to the judgment of the receiver without even hearing.

**Emotional Attitude:** When an individual is emotional he may not be able to the mind of other people.

**Failure to Communicate:** This may arise from the intention to embarrass the receiver or from complexes like superiority or inferiority.

**Other Barriers:** This includes faculty translation, badly expressed message, wrong transmission, lack of attention, un-clarified assumption, etc.

### Different Media of Business Communication

On basis of medium used communication can be classified into **four** namely. They are as follows

- Oral communication
- Written communication
- Non-verbal communication
- Audio visual communication

### Oral Communication

- It refers to face to face communication.
- It often interchanges the ideas at personal level.
- The sender and the receiver of the message are in direct contact.
- If the listener doesn't understand, he can ask for clarification or raise questions to get answer.

### Forms of Oral Communications

- Face to face
- Mechanical devices
- Signals
- Dictating machine
- Speaking tubes
- Telephones
- Electronic paging system
- House telephones

### Forms of Written Communication

- Memo
- Telex
- Notice
- E mail
- Telegram
- Reports

### Non-Verbal Communication

- 1) Body Movement
- 2) Physical Appearance
- 3) Voice Quality
- 4) Space And Territory

### Audio and Visual Communication

#### A. Layout of Business Letter

The structure of business letter refers to the arrangements of various parts or different elements of a business letter.



#### Letter Head and Heading

- It shows the source of the letter
- It is always on the top of the letter and it contains the following
- Name of the firm
- Address and phone number



- Fax numbers
- Branch office
- E-mail address

#### Date Lines

- It appears below the letter head
- It ends in the right hand margin
- Fill with the date on which it is send

#### Inside Address

- It is the address of the receiver
- The recipient name should be preceded by a courtesy title like Mr., Mrs. Ms. In India courtesy titles are shree, shreemathi, thiru are also used.

#### Salvation

- It depend on the relationship between the writer and the receiver
- Sir or madam
- Dear sir
- Dear Mr. name
- Mesdames

#### Body of THE Letter

- It conveys the message
- Write simply, clearly, grammatically to the point
- Confine each paragraph to one topic
- Avoid stereo typed phrases
- The content should be in three parts...
  - 1) Opening paragraph
  - 2) The main communication
  - 3) The closing paragraph

#### The Complimentary Closes or Subscriptions

- It is merely a polite way of ending a letter
- It is written 3 spaces below the last line
- It is written just above the signature

#### The Signature

- It follows immediately after the complimentary close
- It is usually written in ink
- Copy facsimiles can be used only in case of circular letter

#### Appearance of a Business Letter

The purpose of business better is to bring business. So the physical appearance of the letter should be appealing and creates a good reputation of the company. To create good appearance, the following should be taken into consideration.

#### Paper

*Quality of Paper:* Cheap paper can destroy the reputation of the company

*Color of Paper:* White is considered as best color.

*Size of the Paper:* It can change according to business

#### Typing

Computers are in vogue at present

#### Margin

It should be left on all sides of letter.

- matter should be typed in the center
- it adds a frame to the letter

#### Folding

- It should have only minimum number of folds
- If it is folded in an un-systemized way, it shall not ensure a favorable reaction

#### Envelope

It should be corresponded to the size of paper

The color and quality of paper should be in agreement with the letter head.

#### Functions of a Business Letter

1. To provide a convenient and inexpensive means of communication

2. To serve or give information
3. To furnish evidence of transaction entered into the business
4. To provide a record for future reference

#### **Reference Function**

- It is a valid record for needy reference
- It is highly useful in business transactions

#### **Legal Function**

- Letters are the evidence in case of any disputes

#### **Sales Function**

- Letters promote sales by expanding the market

#### **Goodwill Function**

- Customers are contacted personally through letters

#### **Elements of Communication**

**Sender:** person who sends the message

**Receiver:** person who receives the message

**Message:** the subject may be verbal or gesture

**Channel of communication:** it is a media used for communication

**Feedback:** it makes the sender aware that the message is understood. The process of communication is incomplete when the sender receives the feedback.

## **UNIT II**

### **BODY LANGUAGE**

Body language is a type of non verbal communication that relies on body movements to convey messages. It may accompany a verbal message or serve as a substitute for speech.

#### **Gestures and Facial Expression**

Gestures are a form of non verbal communication in which visible bodily actions communicate particular messages.

Facial expression is one or more positions of muscle beneath the skin of the face which convey messages with more expression.

#### **Dress Code**

Business casual is an ambiguously defined dress code that has been adopted by many professional and white collar workplaces in western countries. It entails neat yet casual attire and is generally more casual than informal attire.

#### **Business Etiquette**

Business etiquette is about building relationships with other people. Etiquette is not about rules and regulations but about providing basic social comfort and creating an environment where others feel comfortable and secure.

#### **Listening And Speaking**

Verbal communication involves both speaking and listening. In a business organization, listening is key to effective working relationships among employees and between management and staff. Speaking precisely helps to understand the content better without any complication. Speaking improves communication skills.

#### **Posture**

Posture can provide a significant amount of important information through non verbal communication. Posture conveys information about interpersonal relationships, personality traits such as confidence, openness and submissiveness.

## UNIT III

### INTERVIEW TECHNIQUES

- Do Your Research
- Look Sharp
- Be Prepared
- Be on Time
- Never arrive late to an interview. Allow extra time to arrive early in the vicinity, allowing for factors like getting lost....
- Listen
- Answer the Question Asked
- Give Specific Examples

#### Exit Interview

In human resource terms, an exit interview is a survey that is conducted with an employee when he or she leaves the company. The information from each survey is used to provide feedback on why employees are leaving, what they liked about their employment and what areas of the company need improvement.

#### Stages of Interview

1. **Preliminary Stage:** The first stage goes on before an interview is conducted.
2. **The Opening:** This is second stage.
3. **The Interview:** It is the stage where questions are asked and answers are placed.
4. **The Closing:** The crucial 4<sup>th</sup> stage brings interaction.
5. **Post Interview Activities:** Follow up stage.

#### Indirect Interview

- This kind of interview is called unstructured interview
- It is relatively non-planned interview formed by interviewers.
- The applicant is asked some general questions.
- Such interviews are not directed by questions.
- Generally the candidate is encouraged to express himself in a variety of subjects.

#### Placement Interview

Campus placement or campus interview is the program conducted within educational institutes or in a common place to provide jobs to students pursuing or in the stage of completing the program.

#### Appointment Letter

An Appointment Letter is a legally binding document that confirms that an organization has offered a position to an employee and they have accepted the terms and agreement in exchange for a salary.

#### Mastering the Art of Interviews

- 1) Conduct Research on the Employer, Hiring Manager, and Job Opportunity
- 2) Review Common Interview Questions and Prepare Your Responses
- 3) Dress for Success
- 4) Arrive on Time, Relaxed and Prepared for the Interview
- 5) Make Good First Impressions
- 6) Be Authentic, Upbeat, Focused, Confident, Candid, and Concise
- 7) Remember the Importance of Body Language
- 8) Thank Interviewer(s) in Person, by Email, or Postal Mail.

#### Group Discussion

A discussion group is a group of individuals with similar interest who gather either formally or informally to bring up ideas, solve problems or give comments. The major approaches are in person, via conference call or website. People respond comments and post forum in established mailing list, news group or IRC.

#### Video Conferencing

Video conferencing, or VC for short, is defined as conducting meetings in two or more locations by audio and video transmission. Specifically, VC uses special equipment, such as webcams, high-speed Internet connectivity and personal computers. With VC, those who participate in the meeting can see, hear and speak to one another, regardless of their geographical location, in real time. In this lesson, we will go over the advantages and disadvantages of using video conferencing technology.



### Importance of Video-Conferencing:

- It is also known as teleconferencing.
- It is an interactive communication between participants.
- It connects the people from different localities.
- It facilitates them to work together.
- It saves much time, energy, etc

### Meetings of the Board of Directors

These meetings are considered to be most important as well as the most frequently held meeting of the company. An important matters relating to the company and its policies are discusses and decided upon.

### Objectives of Meetings

1. Business meetings are held to explore strategies and avenues for the promotion of business.
2. Business meetings are held to provide information and secure information and feedback.
3. Business meetings are held to have a focus on changing trends and to decide future course of actions.
4. To evolve new policies and reviews and revise the existing ones.
5. To promote better co-ordination among individuals and departments and to pool expertise
6. To moderate and persuade individuals and group to perform better.
7. To decide intricate financial issues.

## UNIT IV

### KINDS OF BUSINESS LETTER

A businessman, as day to day activities has to communicate with different people for different purpose. Over and above, he has to retain the relationship with the old customers and establish relationship with new customers. Business letter are life blood of modern business.

Business letter play a significant role. Every business has its own business correspondence with many people like suppliers, customers, government departments, etc.



#### Formal and Informal Letters

Business letter for the next part can be treated formal or official, though they can be informal. Informal letters give a certain freedom to the writers.

#### Good News and Bad News Letters

- Favorable letters are good newsletter.
- Letter that contains bad news or bad message or unfavorable information are bad news letter.

#### Based on Context

1. *Letters of enquiry and replies:* this contains some information.
2. *Order and replies:* they may be informal letter or tabulated format.
3. *Complaint letters:* to get rectified and replacement.
4. *Sales letter:* should attract the attention of reader.
5. *Circular letter:* send to large number of people.



6. *Collection letter*: to make collection as when they fall due
7. *Agency letter*: correspondence between principle and agent.
8. *Goodwill letter*: they deal with public relation.

#### Banking Correspondence

#### Insurance Correspondence

#### Import Export Correspondence

#### Information to be furnished in a letter of application for employment

- i. *Name and address of the applicant*: The applicant address is written at the left hand top corner of the paper. The date is written on the right hand top corner
- ii. *Name and address of to perspective employer*: The name and address of the perspective employer are usually written above the salutation but below the address of the applicant.
- iii. *The salutation*: While selecting the salutation and the disturbance between sir and dear sir should be kept in mind. The former is more formal than the latter.
- iv. *The opening paragraph*: In the introductory paragraph the applicant should state whether he is applying in response to an advertisement or at somebody's suggestion or his own initiative.
- v. *Body of the letter*: The body of the letter contains the principle event in the life of the applicant. The applicant must express them briefly.
  - Educational Qualification
  - Gender Ability
  - Salary Expectation If Needed
  - Reference
- vi. *Concluding paragraph*: This part contains requisition and thanking.
- vii. *Complimentary close*: Yours faithfully, yours sincerely are commonly used.

#### Points to be Remembered while Writing Resume

The traditional job application letter is slowly getting replaced by the resume. A resume is a summary of application and intended career path. You can call a resume a qualification brief or curricula vitae. Do not give the title bio-data to a resume.

#### Points to be Remembered

##### A. Heading or Opening Section

- It should contain your name, full address; e-mail ID, fax number, telephone number.
- Your career goal or objective must be in a brief sentence or phrase.

##### B. Educational Qualifying Sector

- Collage attended-duration-degree or diploma
- Major courses- grades or honor achieved.

##### C. Relevant Extra Curricular

- Mention the co-curricular activities

##### D. Section on Experience

- Employee name, address, position held and duration should be mentioned
- Special contribution must be entered in a sentence or in phrase.

##### E. Achievements and Awards

- These include information like language known, service organization, etc.

##### F. Personal Data (Optional)

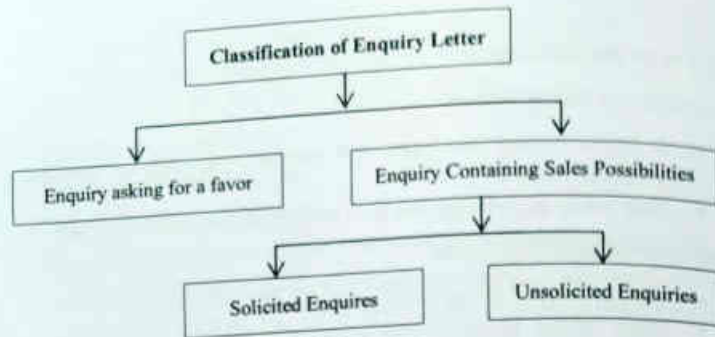
- Marital status
- Health
- Hobbies

#### ENQUIRY

**Definition:** An enquiry letter is written by a potential customer on look out for a product or with desire to avail the services offered by a seller or an organization. An enquiry letter is neither a contract nor does it entail any contracted obligation between the two.

#### Enquiry Asking for a Favour

This is a request for the favor of information with no immediate order. They should be courteous, impact, confidential and definite.



### Enquiry Containing Sales Possibilities

They are written by prospective buyers to make sure to buy specific goods. They are motivated to place orders on the basis of seller's information.

**Solicited:** They are written in response to advertisement made by seller. Drafting such letters possess no serious difficulty to the writer.

**Unsolicited:** They are written by prospective buyers. On their own initiative, different firm get more particular regarding the sale.

### Points to be remembered while writing an enquiry letter

- Detailed account of the product should be given
- Probable quality and time should be framed
- The details of seller's term on discounts, credit, and packing should be mentioned.
- The opening sentence should indicate the reason of enquiry.
- Requisition of reply should be the closing sentence.
- Care should be taken to prevent the recipient from misunderstanding the enquiry.

### Occasions when Enquiry Letters are Sent

- When the goods received from them are of strange kind.
- When they want to ensure the comparative rates.
- When they want to discover a better source of supply.
- When they want to top new lines of barriers.

## REPLIES

Writing replies to enquiries also need greater care and skill. The letter should be as precise and clear as the enquiry itself. Robert. L. Shunter suggests two cardinal principles for drafting replies.

1. Answer all enquiries promptly
2. Take special care in addressing, posting and in the enclosing material.

### Kinds of Replies

- A letter answering the enquiry
- A letter containing a quotation
- A letter enclosing a quotation

### Hints on Drafting Replies to the Enquiries

- 1) Commence your reply by referring to the number if any and the date of the letter of enquiry and thank the writer.
- 2) Don't forget to enter
  - Mode and term of payment.
  - Place and time of delivery.
  - Method of transport.
  - Changes on account of sales tax, freight and insurance.
  - Packing and forwarding charges.
- 3) If you send a price list in separate cover, mention it.
- 4) Close the reply by assuming the enquiries that you have been good to give service to him.

### Replies of Complaint Letter

Actually claim and complaint letters help the businessman to offer excellent heck on the quality of services or product. They maintain a continuous record of the letter. Replies to such complaints are called "adjustments letter". They build the firm's reputation only when the writer keeps the following principles in mind.

## ORDERS

### Information to E Included at the Time of Drafting Orders

A good order letter therefore should contain the following;

### Acknowledgement of the Quotation

The letter should contain the seller's quotation and the buyer's acceptance of the term offered.

### Types of the Goods

The class description of the goods is to be supplied. Full and correct particular of their size, quality, color, etc. should be given.

### Price of the Goods

The price of the goods ordered or the price which the buyer is prepared to pay for them.

### Quality of the Goods

The number of article or the weight of the articles required should be clearly mentioned in every order letter.

### Mode of Transport

The mode of transport whether by goods train, passenger train, parcel post, road transport, etc. should be mentioned specifically.

### Time and Place of Delivery

The seller is expected to deliver the goods within the time from the date of the order.

### Mode of Payment

It is desirable to state the terms of payment in order itself.

### Hints on Drafting Offer and Quotation Letters

**An Offer:** An offer is a voluntary act on the part of a trade or manufacturer. It clearly resembles to a circular letter and is a kind of advertisement.

**A Quotation:** A quotation is a specific offer made to a particular person in response to an enquiry made by him. The quotations sent after receipt of an enquiry from the prospective customer.

- 1) In all offers and quotations strict code of honesty is to be maintained.

- 2) The nature of goods should be described.
- 3) The following items should be clearly stated
  - The exact measure of weight or quantity of goods.
  - The mode of payment.
  - The mode of transport
  - Place of delivery
  - The time of delivery
  - Pacing and forwarding charges.
- 4) The sender should thank the recipient for his interest.
- 5) The notice of goods available should be carefully stated.
- 6) The letter should be closed with an appeal to the prospective buyer.

### SALES LETTER

A sales letter can be defined as a letter written with a view to affect the sales of merchandise or service. Every well-written business letter is a sales letter if its ultimate objective is to increase sales. Sales letter is voluntary offer. They are generally addressed to the prospective customers who had not previously thought of buying.

#### A. Features of Sales Letter

##### a. They Reach Cross Section of Customers

Sales letters are sent to a cross section of existing customers and also to the potential customers. Existing customers may be asked to provide the names and address of the potential customers to whom sales letter can be sent.

##### b. Adopt Persuasive Tactics

Sales letter should be appealing, both in content and format. They should be creative and imaginative and should be accompanied by colorful brochures and catalogues.

##### c. Provide Additional Information

These sales letters are to be drafted in such a way that it should contain the additional information of the offers.

##### d. Avoid Stereotyped Letters

A good sales letter should arrest the reader's attention and make to buy the product. The wording, strategy and appeal should be unique.



### Adopt AIDA Formulas

*Attention:* arrest the attention of the receiver.

*Interest:* create an interest in the reader for the product and service.

*Desire:* proceed to create desire

*Action:* conclude with easy direction for products.

### B. Purpose of a Sales Letter

Sales letter represented conscious efforts, through effectively written message, to induce the prospective buying or purchase the given product or avail him of a given service. "Which he had not thought of buying previously".

- 1) To make direct sales.
- 2) To obtain enquiries about product and services
- 3) To announce and test the reaction of consumer on a new product.
- 4) To build up weak territories into strong ones.
- 5) To build up good will.

### C. Hints for Drafting Sales Letter

Sales letter can be defined as "letter written with a view to affecting the state of merchandise or service"

### D. Attracting the Attention of the Buyers

The attention of the reader can be attracted by impressive beginning. Such beginning shall make the reader and study the whole letter.

- Pertinent questions
- Courteous command
- Quotation from eminent author

### E. Creating a Desire for the Product / Body of the Letter

People can be made to desire for things, by appeals to certain human instincts. Certain human desire is universal.

### F. Convincing the Reader or Service:

Convincing is an act. It can be defined as a act of influencing others to accept our belief by an appeal to their reasons.

### G. Motivating Actions

The letter should close with appeal for definite actions on the part of the readers. To activate actions, two things must be done.

- 1) The specific suggestion concerning the reader's action.
- 2) The benefit of taking such actions must be pointed out.

### CIRCULAR LETTER

- Circular letter are sent to large number of people. They are unsolicited letter.
- They usually convey information about the new product, new service, a new set of terms and conditions.
- They also convey the information about opening and new branch, change of address, telephone numbers, seasonal greetings and discount offered by the sellers.
- New facilities created for the employers and customers.
- Instruction to employees.
- Information to shareholders about meetings.

### COMPLAINT LETTERS

Claim can also be named as complaint. Even in well-managed business concern, errors occur of frequently in spite of all precautions taken. Particularly with increasing complaints of the modern business world, chances of mistake are even increasing. It is often said that the making of complaints requires no special care.

A complaint has few definite purposes

- Describing the error
- Getting the error cancelled
- Securing compensation
- Maintain goodwill

However, the buyer may cite the following as a popular census frequently give raise to claim or complaint.

- 1) Delay in execution of orders
- 2) Supply of inferior good
- 3) Supply of wrong goods
- 4) Delivery of damaged goods

- 5) Variations in terms and condition relating to the payment
- 6) Mistakes in calculation.

According to Robert. L. Shunter, the following four elements are vital.

- 1) An explanation of what is wrong.
- 2) A statement of inconvenience.
- 3) An attempt to motivate actions by appealing to the reader
- 4) A statement of what adjustment is considered.

#### Hints for Writing the Letters of Complaint

- 1) Give exact and clear reference of the order
- 2) Make clear statements of mistakes committed by the seller.
- 3) Explain the nature and extend the inconvenience of damage
- 4) Clearly identify whether the fault lies with the goods supplied.
- 5) Specify the steps necessary to rectify the defect
- 6) Make a polite but firm request that the matter will be attended
- 7) Express the hope of continued business relation if the error is rectified.

#### Terms Used by the Trader

**LOCO:** LOCO represents the price of the goods at the seller's warehouse or factory. It means that all the charges of carrying them to the buyer's place must be borne by the buyer.

**At Station:** This price includes the cost of goods and the charges for transporting them to the station names.

**F.O.R:** Free On Rail. The questions are different from "at station" questions as the charges for loading the goods into wags, in this case payable are to borne by the sellers and are included in the quotation.

**F.O.B.** Free on Board include the price of the goods as well as charges for placing the goods on board.

**C.I.F:** Cost, Insurance and Fright means the price covers the cost of goods, insurance and fright.

**Cost with Orders:** The cash should accompany the orders.

**Cash on Delivery:** Payments must be made when the goods delivered to the buyers.

## DOCUMENTS AGAINST PAYMENT

### Documents through Bank

**Trade Discounts:** Trade discount is an allowance granted to the dealer like wholesaler and retailer as a reduction in catalogue price.

### Stages in Collections

The collections letters are usually written in a series. In each successive letters, the tone becomes stringer and sent out at intervals varying with the type of credit risk and amount involved.

### Sending Statements of Account

The actual collection correspondence starts from the stage of sending remainders, because sending a statement of accounts is the duty of the creditor. A statement of accounts is a copy of the customer's account in the seller's ledger showing the balance to be paid as on particular date. A duplicate statement of accounts is accompanied in the second letter.

### Reminders

If the first two letters remain unanswered a third remainder becomes necessary. In the letter, creditors ask for payment of accounts politely but not firmly. The debtor failure to pay may be either deliberate or accidental. If deliberate, firm actions can be taken. If accidental, the firm's actions would humiliate the customers.

### Strong Remainders

In case of failed response strong remainders should be sent. In this letter the debtors should be asked to pay the amount on particular date.

### Enquiry and Discussion

If the remainder do not bring the demand response from the difficult customer, the creditor must ask the debtor that why the payment is withhold. If he replies, he may be offered with necessary assistance to overcome hid difficulties.

### Appeal and Agency

If the customer is good and is unable to meet his commitment due to certain difficulties, he will certainly reply to the previous letter. Only reckless

customer would fail to reply. These customers should be dealt with in this step. His silence is clear indication of urgent actions.

#### **Demand and Warning**

The correspondence now reaches the final stage. Now it is more important to collect the money rather than to retain the customer. Usually, within five or ten days, his case shall be passed on to the lawyer.

### **BUSINESS CORRESPONDENCE**

#### **Bank Letters**

Informing various services, the banker has to correspond with a number of persons. The reputation of the banker is judged not only by the efficiency of the service but also by the passbook and his correspondence. This is why tactful, courteous and precise letters go a long way in building up a banker name.

Banks has three kinds of correspondence

- Letter between banker and customer
- Letter between one banker and another.
- Letter between head office and branch office.

#### **Characteristic of Banking Correspondence**

The essential characteristics of banking correspondence are as follows;

**Secrecy:** Bankers deal only with money matters and surely in money matters is the first thing that a client expects from his banker. Absolute secrecy about the state of a customer account is the basic guarantee in bank dealing.

**Style:** Good styles in banking letters are brevity because the customers are businessman and they don't have time to waste in superfluous reading.

**Tact And Courtesy:** These two elements have got major importance in banking letters. It is very easy to leave allegations against a customer and thereby to lose his acclaimed courtesy, while writing about overdrawn account and while asking for addition security courtesy is very important.

**Clarity:** Clarity in bank letter must be considered as a basic necessity. The matter should be clear and precise and there should be no ambiguity.

#### **Types of Banking Correspondence**

Banking correspondences are broadly classified as follows;

**Form Letter:** Bankers regularly use a number of form letter with a set text of the matter. They have a fixed phraseology meant to be used on different occasions in the course of business operations of the bank.

**Individual Letter:** Individual letter, in this context, refers to each letter which is individually written in each case depending on the subject concerned.

#### **1) Letter Between Banker and the Customer**

- a) **Letter from banker to customer:** The most important part of the banker's correspondence consists in communications with customers.
- b) **Letter from the customer to the banker:** These types of letters are generally written for request of opening accounts, enquiries about the interest rates, status enquiry, applications for loans and overdraft.

#### **2) Letter Between One Banker and The Another**

These relate to status enquiry, negotiation of bill exchange, clearance of cheque, etc.

#### **3) Letter Between Head Office and Branch Office**

- Letter from head office to branch office deals with matters of administration and convey the decisions and policies.
- Letters from the branch office to the head office monthly, quarterly, half-yearly and annually report. Also reports from branch managers.



Draft a letter to the Bank requesting to stop the cheque payment for priya agency

**PRIYA AGENCY**

No: 82, 1st cross street, velan nagar, A.T. nagar, Chennai-600087.

23<sup>rd</sup> Jan 2016

The Branch Manager  
Canara bank  
Arumbakkam  
Chennai-600107

Dear Sir,

We write this letter to confirm the telegram we sent today. **STOP CHEQUE PAYMENT NO: apc570829** dated 27<sup>th</sup> Jan 2016 for two thousand rupees. Payee "PRATHYUN BROS"

Since we are informed by the payee m/s Prathyum Bros that cheque no: **apc570829** dated 27<sup>th</sup> Jan 2016 is send in their favor was last in transit. We request you to issue necessary instruction to stop payment on that cheque

Yours faithfully

**PRIYA AGENCY**  
R. Sireesha  
Managing Partner

Draft a reply letter from the bank to the customer regarding to withhold of payment

**CANARA BANK**

Arumbakkam, Chennai 600107

24<sup>th</sup> Jan 2016

**PRIYA AGENCY**  
No: 82,1st cross street,  
Velannagar,  
A.T. nagar  
Chennai-600087

Madam,

We have received your telegram and the letter of 23<sup>rd</sup>jan 2016 asking us to stop the cheque payment. Cheque no: apc 570829 dated 27<sup>th</sup>jan 2016 drawn in favor of m/s PRATHYUN BROS

Necessary instructions have been passed to our staffs to stop the payment on the cheque. It may please be notes that bank does not ace[t any responsibility for the payment of the cheque through oversight.

Yours faithfully

**CANARA BANK**  
Y. Pranay  
Branch manager

Draft a letter to the bank requesting to enhance for overdraft facility

M/S.PRASAD AND SONS  
146, Srinivas nagar  
Valasaravakkam  
Chennai-600087

The manager

Deena bank

14, annasai, Chennai-600002

Dear Sir,

Sub: request for enhance of overdraft from 50000 to 100000.

We have an overdraft account with your bearing no DB2143 opened in 2012. During that time we have granted overdraft up to a limit of 50000. We have been maintaining the account according to the regulations of the bank. Now our turnover has increased many times over the years. We request you to enhance the overdraft limit to Rs. 100000 for which the additional deposit and collateral will be provided. Since the festival season is approaching we request you to render this facility immediately.

Yours faithfully

K.V.Prasad Rao

### Cheque

A cheque is an instrument in writing or unconditional order, addressed to bankers, signed by a person who has deposited money with the bank, requesting him to pay on demand a certain amount only to the order of certain person or to the person to the bearer of the instrument

### Overdraft

An overdraft is a financial arrangement under which a current account holder is permitted by the bank to overdraw his account. i.e. To draw more than the amount standing to his credit, up to agreed limit.

### Functions of Banking Correspondence

- a) To receive deposits and grant loans and advances
- b) To discount bills of exchange
- c) To provide safe deposits
- d) To pursue reference regarding financial standing
- e) To issue letter of credit, bank drafts, traveler's cheque, etc.
- f) To act as an agent to buy shares and stocks.

### Insurance Correspondence

*Insurance Letter:* Exchange of letters occurs frequently between policy holders and the L.I.C. The L.I.C has standardized correspondence and in similar nature. However the letters from policy holders may vary.

#### A. Types of Insurance

- Life
- Fire
- Marine
- Accident
- Workman's compensation insurance

#### B. Element of Insurance

- 1) Utmost good faith
- 2) Insurance interest
- 3) Indemnity must be present

In general insurance all other risks like fire, accident, theft, etc. are covered

#### C. Fire Insurance

Fire insurance is a contract, under which the insurer pays in return for the premium paid by the insured. Undertake the pay or make good to the loss suffered by the insured due to fire during the specific period and up to a specified period mentioned in the contract. The contract is embodied in a document called the "policy of insurance".

#### D. Marine Insurance

In a contract of assurance the assured must have interest at the times of insurance. But in marine insurance it is not necessary that the insured must

have insurable interest. It is sufficient if he acquires such an interest during commencing of policy and he should have such at the times of loss.

#### **Kinds of Marine Policy**

- 1) Voyage policy
- 2) Time policy
- 3) Mixed policy
- 4) Floating policy
- 5) Valued policy
- 6) Unvalued policy
- 7) Open policy

**Voyage Policy:** The property is insured for a particular voyage. This policy is insured for a fixed amount and not for a fixed period. Generally, cargos which are exposed to the perils of the sea during transit are involved under this policy.

**Time Policy:** The property is insured for a specific period of time say 3-6 months and does not exceed 12 months. This policy is insured for ships by the ship owners. If the goods do not reach the destination within the period the policy is to be renewed.

**Mixed Policy:** This covers both time policy and voyage policy. It is based on the understanding that the goods will be transported only from a certain place to another fixed place and voyage will be completed within the period specified in the policy.

**Floating Policy:** It is insured to cover the goods belonging to same person but stored at different places and in varied date. Traders generally take out this type of policy to cover risk irrespective of goods lying in varying places.

**Business Valued Policy:** The insurance company undertakes to pay or indemnify the insured any loss or damage caused by fire to his property up to an amount insured by the policy. The value of the property is not the criterion to ascertain to the extent of indemnity.

#### **E. Principle of Insurance**

Insurance is a civilized man's way of protecting himself against the accident of life. Though it is a contract by nature, it is not similar to contract of sale. Therefore a contract of insurance is governed by **three basic principles**.

**Utmost Good Faith:** It is a contract of a co-bonafide. It implies that the party should exchange information accurately in all aspects relating to the risks to be covered.

**Indemnity:** Indemnity means security against damage or loss. In a contract of insurance (other than life insurance) the insurer undertakes the indemnity or compensates the insured for losses of occurring due to the risk covered.

**Insurable Interest:** It is also necessary that insurer must have insurable interest in the subject matter of insurance, without such insurance the contract is null and void. Insurable interest means monetary interest in the subject matter of insurance.

#### **Procedures to be Followed while Taking Fire Policy**

1. Should get a proposal from the agent of the company and should send it duly filling.
2. If the risk is simple, the insurance company may straight away quote the premium and on its acceptance issue of policy.
3. Another case, the property to be insured is inspected by the representative of the insurance company.
4. The representative after inspection should submit his report to the insurance company.
5. On the receipt of the report, the insurance company will either accept the risk and fix the premium or decline to accept the risk.
6. If the company accepts the risk, it will issue a cover note to the proposal. This note is considered to be the evidence of the contract. The actual policy is prepared and issued to the insured.

#### **General Terms Used In Marine Insurance Correspondence**

1. **Broker:** As on behalf of the client who seeks insurance covers for the goods to be sent by ship.
2. **Ship:** A ship is a description of the risk that is expected to be covered during the transit of goods. It is generally prepared by the broker.
3. **Under Writer:** Authorized person by the company to carry forward the insurance business by assessing the value of goods and the risk to be covered.
4. **Lead:** Lead means which has the details on a ship of about the share of the risks he undertakes to cover the premium agreed mutually between the broker and the underwriter.



5. *The Risks:* Marine risks are storms, accidents that involve collision, fire, sinking, sabotage, barrage and piracy.

**Draft a letter to the insurance company notifying damage by fire**

25<sup>th</sup> Jan 2012

SRI PRASAD PLASTICS  
No-69, KVR Nagar, Guindy Industrial Estate, Chennai- 600 032,  
MN Assurance Company Limited  
86, NSK Road, Chennai- 600 106

Dear Sir,

Ref: Fire Policy No 26071

I request to inform you that a fire broke out in my warehouse at No 17 Singaravelan Street, Valasarvakkam, Chennai- 600 087 at about 11:30 PM last night. It was first noticed by Mr. Nagesh, the night watchman of the locality, who at once summoned the fire brigade by telephone. By the time the fire brigade arrived the premises was completely gutted and was only after strenuous effort that the fire brigade succeeded in extinguishing the fire at about 1:45 AM.

According to my estimate a stock value of Rs. 83000/- has been destroyed. Please send your representative or surveyor to survey the loss and let me know what particulars should furnish for making the claim.

Yours Faithfully

K.V.Prasad Rao  
Proprietor

#### **Endowment Policy**

Under this policy, the sum assured is to be paid to the assured on his reaching a specified age or if dies earlier. The amount is to be paid to his heirs or his nominee. The premium of such policies is to be paid until the assured reaches the specified age or until his death, if it occurs earlier. This type of policy is famous because it is a continuation of elements of saving, investment and risk bearing.

#### **Joint Life Policy**

A policy covers more than one life is called joint life assurance policy. The assured amount becomes payable on death of the any of the insured under this policy. It is payable to the survivors. A joint life policy is usually taken on the life of the husband and wife.

#### **Premium**

Premium refers to the cash or amount payable by the assured. The rate of premium depends on the amount of the policy, period etc. The premium is payable either quarterly, half yearly or annually or even monthly depending upon convenience.

#### **Surrender Value**

The surrender value of the policy is the amount that the insurance corporation will pay to the assured. If the assured due to some unavoidable reason is unable to pay the premium and continue the policy till its maturity, he surrenders the policy to the corporation.

#### **Nomination**

The assured has a legal right to designate any person to receive the effects of the policy in the event of his death. Such person who is nominated to receive payment is called "nominee". The nominee can be appointed at any time of taking out the policy.

### **AGENCY CORRESPONDENCE**

#### **Meaning**

A great value of world's trade both external and internal is conducted on the system of agency. Particular business abroad would be difficult if the agency system had not been devised. An agent is the one appointed to act for another. The person who appoints these agents is known as the principal. The agreement between them is known as agency agreement. Communication between the principal and the agent is called agency correspondence. The agreement between agent and the principal is called as the agency "agreement".

#### **A. Terms of an Agency**

The manufacturers and proposed agent have to decide upon several points regarding the terms on which the agency is to operate. The main points to be settled regarding the terms of an agency are as follows.

- a. **Allowance or Communication:** The rate of commission or allowance is fixed with reference to the capacity of the agent to boost up the sale. In deciding the reasonable rate, the facilities provided by the agent in the shape of his contract, showroom travel etc. should be taken into account.
- b. **Duration of the Agency:** The period for which an agent should act as the agent for manufacturers should be settled. If the product is new to the market, the duration should be reasonable long.
- c. **Area under the Agent:** The area allotted to the agent should be neither too small nor too large. If it is too small, the agent will not be able to earn adequate commission and so he will show less interest to his work.
- d. **Terms of Payment:** This refers to the mode of payment by agent to the principal and the period within which the amount is to be settled. If any amount is to be deposited with the principal as security deposit, the amount of such deposit should also be stated.

#### B. Stages in Agency Correspondence

In selection of an agent care must be taken. Similarly an agent should only want to represent a reputed and reliable principal. We shall now consider the correspondence between a principal and the agent.

#### C. Letter Offering the Agency

The principal himself may offer agency to some other persons. The situation will occur only when the product of the manufacturer is not popular in that area or the agent is a reputed business man. Generally the term of such agency shall be liberal and the rate of commission is also more important.

#### D. Letter For Applying An Agency

Usually the agent will apply for agency to the principal.

##### A. Opening Paragraph

- (i) An advertisement offering agency
- (ii) Information received from others
- (iii) On the own initiative of the applicant

##### B. Main Communication.

##### C. The Concluding Paragraph.

#### E. Letter of the manufacturer in reply for the applicant

A reply from the manufacturer may be either the grant of the agency or refusal of the agency.

#### F. Other Letter from the Principal

- a. Letter asking for the reason for low sales.
- b. A circular letter

#### G. Other letters from the Agent

- a. Letter suggesting improvements
- b. Letter explaining reason for poor sales.
- c. A circular letter.

#### Draft a letter to intimate non renewal of agency

27<sup>th</sup> Jan 2012

PRIYA GARMENTS

62, Pandy Bazar,  
Chennai

PRANAY PRIVATE LIMITED

Garment Dealers,  
27, Milk Chilling Center,  
Medar,  
Hyderabad – 502116

Dear Sir,

We are sorry to inform you that we are not renewing agency contract with you. The earlier agreement terminates on 31<sup>st</sup> Dec 2011. There is no reflection on our business relationship even though the agency responsibility you have discharged. They have been excellent always.

Yours Faithfully

K. Sandhya Rani  
Partner

### Broker

The duty of broker is to bring the intending buyer and intending seller together. Thus he acts only as an intermediary between the two. He is not given the actual physical possession of goods.

### Auctioneer

He is a person employed by the principal to sell his goods or properties publicly i.e. by arising the public to bid for it. For his service he gets commission.

### Commission Agent

A commission agent is a person employed by the principal either to buy or sell goods on his behalf. He receives commission at a specified rate. The principal meets all expenses connected with the purchase or sale of goods.

### Del Credre Agent

His function is similar to the commission agent, but in addition to that he undertakes an additional liability of guaranteeing payment to the principal. When he sells the goods on credit the principal therefore need not worry about bad debts.

### Warehouse Keeper

A warehouse keeper helps the trade and commerce by storing the goods in his own godown. Or warehouse. His function is to take care of the goods kept in warehouse. He issues receipt known as warehouse keeper's receipt for the goods stored.

### Clearing and Forwarding Agent

A clearing agent is one who cleans the goods for the importer. The clearing agent assist the importer for a commission. A forwarding agent on the other hand forwards goods to foreign countries for the exports. These agents are also employed in internal trade.

## CORRESPONDENCE WITH SHAREHOLDERS, DIRECTORS

With the growth of corporate sectors, there has been growing appreciation of the secretary in the company administration. He in fact occupies unique position in the company hierarchy.

## Secretarial Duties under Companies Act

1. To publish the name of the company outside the place it business.
2. To deliver a return of allotment to the registrar.
3. To cause registration of charges with the registrar.
4. To issue share certificate of debentures.
5. To send out the members copies of Annual Balance Sheet, profit to loss account.
6. To maintain statutory registrar to make them available for inspection.

## Specific Duties under Companies Act

1. To sign any document of proceeding
2. To sign companies of annual returns to be filed with register of companies
3. To authenticate balance sheet and profit and loss account.
4. To sign the copies of the balance sheet and profit and loss account.
5. To sign the statutory declaration to the time of incorporation
6. To verify the statutory declaration in relation to the commencement.
7. Verify and submit the statements.

## Secretary's Correspondence with the Office Staff

- The secretary is a business executive with a final and deciding sense. He must be able to take a firm and quick decision.
- His letter should carry a letter of authority.
- He should avoid unpleasant words.
- He has to be very tactful in dealing with trade union.
- He deals only with only important matter of administration. Therefore he must use his words with care.

## The Secretary Has To Draft

1. Circular letter regarding the issue of shares and debentures.
2. Letter of allotment.
3. Letter of regret.
4. Notice of meeting of the company.
5. Letter of a legal character etc.

## Duties of the Secretary

### 1. Statutory Duties



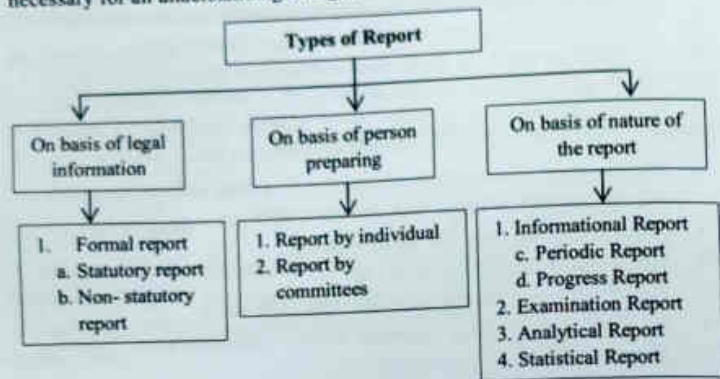
- Specific duties under companies act.
- Secretarial duties under companies act.

## 2. General Duties

- Allocation of duties to directors.
- Framing the duties of shareholders.
- Determining the duties of the organization and staff.
- Deciding the general duties of the outsiders.

## REPORT WRITING

A report is an orderly statement of observed facts in a particular context. The term report is derived from a Latin word "reputare" means carry back. According to Para burst a report is a written presentation of facts and data necessary for an understanding of a given condition, situation or problems.



### Basis on Legal Formalities

- 1) **Format:** A format is one which of prepared in a prescribed form and presented according to an established procedure and prescribed authority.
  - a. **Statutory Report:** A report which is prepared according to the form and procedure laid down by law is called a statutory report.
  - b. **Non-Statutory Report:** Non-statutory report is not prepared in a specified form and in a specified procedure.
- 2) **Informal Report:** informal report has no such specific form and pattern.

## A. Classification on Basis of the Person Preparing

**Report Prepared by Individual:** A report submitted by individual officer is known as report by individual.

**Report Prepared by Committee:** In case where reports are needed on subjects that concern more departments or the situation demands for the association for two or more persons, committees are constituted to draw the report.

## B. Basis of Nature of Reports

1. **Informational Report:** An informational report contains only data collection or facts observed in an organization and it presents the situation as it is. It can be further classified into
  - a) **Periodic Report:** the activities of the company during a period
  - b) **Progress Report:** to describe the progress during the period.
2. **Examination Report:** Reports prepared after thorough examination of a problem.
3. **Analytical Report:** Analytical reports are widely used in business houses as a guide post of policy formulation. It contains facts and evaluation and suggestions.
4. **Statistical Report:** These reports are largely made up of financial data, mathematical charts, tabular columns of figures, etc.

## C. Parts of a Report

Customs and convenience has standardized 10 elements:

### 1. Introductory

- a. Cover
- b. Front page and title page
- c. Copy right notice
- d. Forwarding letter
- e. Preface
- f. Acknowledgment
- g. Table of contents
- h. List of illustrations
- i. Abstract and summary

### 2. The Main Body

1. Introduction
  - a. Historical and technical background

- b. Scope of the study
- c. Methods of collecting data
- d. Authorization of report
- e. Definition of special terms and symbols
2. Discussion or description
3. Conclusion
4. Recommendations

### 3. The Back Matter

1. Appendices
2. List of references
3. Bibliography
4. Glossary
5. Index

## D. Characteristics of Good Report

A good report should contain the following characteristics;

1. **Precisions:** The report should be precise, clear and up to the point. Avoid repetitions. Adopt easy and understandable style of presentations.
2. **Accurate:** The facts reported must be accurate.
3. **Relevance:** The matter specified must be relevant. Avoid irreverent or unconcerned matters.
4. **Reader's Orientation:** A good report is always reader oriented. It is meant for a readers.
5. **Clarity:** Clarity depends upon proper arrangements of facts and figures.
6. **Simple And Unambiguous Style:** The language used should be very simple.
7. **Recommendations:** If recommendations are made, they should be impartial and objective.

## E. Ways in Which a Report can be Organized

There are three ways in which a report can be organized.

- a. **Simple Letter Forms:** When a letter is on simple subject and requires one or two pages. It is usually presented in form of a letter.
  1. Introduction
  2. Finding
  3. Recommendations

- b. **Simple Memorandum Forms:** Memorandums don't adopt the mechanism of a letter. It is a simpler way of presenting the report. It first mentions
  1. The title of the report
  2. Name of the author
  3. The date
  4. The texts under headings and sub headings
  5. The subject and
  6. The conclusion

- c. **Letter- Text Combination Forms:** Generally long reports are prepared in these fashions. If the subject requires elaborate discussions, then this form is adopted.

## F. Press Report

Press is the most effective medium of communications and publicity. It undertakes to convey news and opinions to the public through well worded messages, sketches, writing editorials, etc.

A press report contains specific messages or events occurring in political, economic, social and administration spheres.

1. Reports should contain graphic account of the event.
2. The matter should be adequate.
3. Vocabulary and wordings of the report should be in accordance with the importance.

## G. Market Report

Market report is a form of technical writing about posting prevailing in the market such as tendency of price, the attitude of dealers, the underlying economic process and their possible effects on the future trends and methods.

### 1. Contents of Market Report

1. Period under reference.
2. Name and area of the market to be reviewed.
3. Date on which the market to be reviewed.
4. Types of commodities dealt with.
5. Estimate of demand and supply of the products.

6. Details of business transacted.
7. Prices ruling in the markets.
8. Fluctuations.
9. Future trends.

## 2. Hints for Drafting Market Report

1. Mention the market under report.
2. Specify the location of the market.
3. Refer to the period of review.
4. Highlight the transaction during the period.
5. Specify the operating and closing quotations of prices.
6. Give intellectual appraisal of trends.
7. Technical letters and phrases should be used.
8. It should not be too lengthy or too short.
9. Exact details should be quoted.

## 3. Forms of Market Report

1. *Heading*: The heading should be short and indication of the main trend in the market.
2. *Introductions*: The date, place and the name of the market are mentioned.
3. *Opener*: Mention the findings about the characteristics of market trends.
4. *Body of the Letter*: The body of the transactions should contain the transactions made during one week or day in the case.
5. *Closer*: The concluding remark about the present trend and prediction about future.

## H. Preparations of Report

An effective report is the result of careful preparation and execution. The following are the important preliminary steps in writing a report.

1. *Defining the Purpose and Scope*: The problems should be precisely defined. The writer should find out what exactly is to be examined, why is to be examined and for whom is meant.
2. *Determining the Audience*: The invigilator should find out to whom the report is to be submitted. If it is to an individual, the matter is not complicated.

3. *Collection of Data*: The next step is the collection of data relevant to the study. The data is the raw material of the report.

### a) *Methods of collection of data*

1. Personal observation
2. Telephone interview
3. Personal interview
4. Questionnaire

### b) *Basis of data*

1. Internal data
2. External data

4. *Analysis of Data*: The collections of data have to be stored out in order to appraise accurately the position and evaluate the subjects matter under report.

5. *Making the Outline*: The outline will provide a frame work into the writer can fit on orderly manner.

## AGENDA

The term "agenda" means the "thing to be done;" or business to be transacted at a meeting. The agenda should be circulated amongst the member along with the notice of the meeting. The preparation of the agenda is the work of the company's secretary.

There are generally two ways in which the agenda for a meeting can be prepared.

1. By referring to the business very briefly by writing just line about each item.
  - a. To read the minutes
  - b. To pass the transfers
  - c. To produce financial statements
2. By giving more details about each item and sometimes including suggested drafts of the resolutions.

## 1. Minutes of Meeting

The meeting of a company can be classified into four kinds.

- a. Meeting of the shareholders.
- b. Meeting of the board of directors and their committees.



- c. Meeting of the debentures holder.
- d. Meeting of the creditors.

#### a. Meeting of the Shareholders

1. **Statutory Meetings:** this is the first meeting of the shareholders conducted after the commitments of the business of the public company. Company should hold a meeting of the shareholders within six months but not less than one month from the date of convenient of business of the company.
2. **Annual General Meeting:** it is usually hold once in a year. This meeting is to be conducted by the company whether public or private limited by shares or guarantee having or not having share capital
3. **Extra Ordinary Meeting:** the meetings are convened to deal with all extra ordinary matters with falls outside. The meetings are generally called for transacting some urgent or special business which cannot be postponed.
4. **Class Meeting:** these meetings are held by the shareholders of particular class of shares. Class meetings are generally conducted when it is proposed to alter money or affect the right of particular class of shareholders.

#### b. Minutes of the Meeting

The term minutes can be defined as the written record of the business done at a meeting. But speeches and arguments are not recorded in the minute book. It is the duty of the company secretary to write to the minutes of the meetings.

#### c. Hints on Writing of Minutes

##### Contents of the Meeting

1. Heading of the minutes.
2. Names of the member presented.
3. Sub-headings of the business.
4. Dates and figures.
5. No reference to personal feelings.
6. Brief and short.
7. Special resolution etc.
8. Tenses and voices.
9. Rough draft.

#### Duties of the Secretary during the Meetings

- Duties of the secretary before the meetings.
- Duties of the secretary during the meetings.
- Duties of the secretary after the meetings.

#### Secretary's Duty before Meetings

- To issue notice of the meetings to the directors.
- To prepare agenda for the meetings.
- To arrange for attendance at the meeting
- To have in readiness all the documents requiring attention
- To have in readiness the company's deal.

#### Secretary's Duty during Meetings

- To get signature of the directors in the directors attendance book.
- To ensure that all required documents, paper, etc. are on the table.
- To read the minutes of the previous meetings.
- To produce the banker's pass book within statements on the financial position.
- To take down notes of the business transacted.

#### Secretary's Duty after the Meetings

- To write up the minutes as early as possible after the completion of the meeting.
- To issue necessary instructions to the company officials.

### NOTICE, HINTS AND CONTENTS

The drafting of the notice of general meetings require some more classifications on the contents.

**Descriptions of the Meeting:** It should be specially mentioned on top of the notice that it is for the annual general meeting.

**Date of the Notice:** It should bear the date. According to sec.171 of the act only giving not less than twenty one days notice can convince a general meeting.

**Date, Time and Place of Meetings:** The notice should mention al the details. The annual general meetings should be held only at the registered office.

*Nature of the Business:* The business transacted at a meeting is of two types namely,

1. Ordinary business
2. Special business

*Separate Resolution for Appointment of Directors:* The act also provides that separate resolutions are to be passed for appointment of all duration.

*Appointments of Directors:* Reviewing and rotation

*Text of Resolutions:* In case of ordinary business, the texts of resolution need not be given special business text of the resolution should be given.

#### **Right Person Should Issue Notice**

##### **Documents Available For Inspection**

##### **Proxy Rules**

#### **Notice**

A meeting cannot be held unless a proper notice of its served to all the members of the company. The notice should be given to all those who are concerned with the business and are entitled to attend it. The length of the notice required for concerning a general meeting is not less than 21 days.

#### **Minutes**

The term minutes can be defined as a written record of the business done at the meetings. But speeches and arguments are not recorded in the minutes. Only resolutions and decisions are recorded in the minutes.

#### **Circular Letter**

Circular letter is a constructive force to make it more effective, different steps and strategies should be adopted for different occasions.

#### **Establishment of New Business**

These kinds of letters should contain the following matter.

- Name of the firm, address
- Date of opening
- The knowledge of the proprietor
- The capital at the disposal
- An invitation for a trial order

#### **Admission of a Partner**

- Circumstance that led to the admission of the partner
- The name of the partner
- His business experience
- An expression of thanks

#### **Change of Address**

- The reason that prompted the firm to shift
- The relative superiority of the new premises.
- Address of the new premises.

#### **Retirement or Death of a Business**

- Announcement of the fact either death or retirement with regret.
- In case of retirement, specify the reason that led to the retirement.
- An assurance that the business shall be continued on the same lines as before

#### **Purchase of a Business**

- An announcement of fact and name under which the business runs.
- If the firm has successful in the past, a reference that the traditions should be preserved.

#### **Obtaining an Agency**

- The details of the agency obtained.
- Comparative merits of goods or services entrusted under the agency
- An invitation for a trial offer

#### **Price Reduction or Clearance Sales**

- It is generally advertised in a newspaper but at times business men can announce themselves by means of a circular letter.

#### **Conversion of Partnership into a Limited Company**

#### **Introduction of New Product**

## UNIT V

### MODERN FORMS OF COMMUNICATION

#### E-Mail

- E mail is the most popular form of business communication surpassing the telephone, conventional mail and facsimile in volume.
- Email is one of the first internet applications. It is so popular that many people attracted to internet.

#### Benefits

- It is useful to send documents, pictures, movies, worksheets along with message itself.
- It is useful to confirm the receipt of customers order and confirm the shipment of delivery.
- It facilitates electronic commerce, such as purchasing software and goods.
- It is useful to attach invoice in business to business.

#### Internet

- It ensures speedy communication.
- It enhances the quality of communications.
- It enables business chat from one level to another level.
- It provides after sales service and promotes customer friendly approach.
- It enables b2b and b2c communications.
- It enhances the quality of advertising and publishing.
- It provides information on whether the market is up beat or not.

#### Merits

Saves time, money, energy.

Important discussions can be made regarding business.

#### Demerits

They are more expensive.

There is no privacy.

#### Websites

- Websites serves as electronic brochures, including current product and company information.

- They are the records put up by individuals or organization.
- A business firm by putting up a website can show its size, nature of business and quality of its product, etc.

#### Benefits Of Websites:

- The products of the company make an upward movement in global level.
- Advertising becomes easy.
- Information reaches the potential customers.
- Orders can be secured immediately.
- Teleshopping becomes convenient and easy.
- Websites provide a certain level of transparency to business.

#### Fax

- A facsimile machine (FAX) can transmit any type of documents as it is over a long distance to another fax machine connected through telephone lines.
- It is useful for transmitting message faster.
- It is useful to transmit handwritten message.
- It is useful to convey the message quality.
- Faxes were to produce hard copies that can be filed for future reference also.
- It is useful in sending documents, receiving documents, saving names and telephone numbers and to photocopy documents.

#### E-Commerce

- E-commerce brings the universal access of the internet to the core business process of buying and selling goods and services.
- It helps to generate demand for the product and service.
- It helps in improving order management, payment and other functions.
- It helps in cost cutting, such as reducing expenses for transactions.
- The internet worldwide reaches helps business and discover new market.
- Using e-commerce, business can create new products and service, improves promotions, marketing and deliver of existing offer.
- It can be used to improve purchases and supply activities.



- It identifies new customers and operates their finance, administration and human resource management activities more efficiently.

### Whatsapp

WhatsApp Business is an Android app which is free to download, and was built with the small business owner in mind. With the app, businesses can interact with customers easily by using tools to automate, sort, and quickly respond to messages.

### Twitter and Facebook

A social networking website, which allows users to publish short messages that are visible to other users. These messages are known as tweets, and can only be 140 characters or less in length. Users have found many different uses for twitter, including basic communication between friends and family, a way to publicize an event, or as a customer relations tool for companies to communicate with their consumers. Twitter was founded in 2006, and as of 2008 Twitter was estimated to have between 4 and 5 million users, and was the third most popular social networking site after Face book and MySpace.

### Uses Of Internet In The Field Of Communication

- Internet ensures speedy communication.
- It enhances the quality of communications.
- Readily available formats can be chosen and send e-mails.
- It enables to have quick consultation with expert, computer conferencing and video conferencing.
- It enhances the quality of advertising and publishing.
- E-mail communication can be authenticated with digital signature.
- It provides a market place for the customers and seller to meet.
- Enhances the quality of negotiating business deals.
- It provides after sales service and promotes customer friendly approach.
- It enables b2b and b2c communications.
- It will transfer business to e-commerce which is not very far off.
- Internet can become a powerful tool in promoting ethics in a business.

### Benefits Of Websites To Business

- Company's status makes an upward movement at a global level.

- Advertising becomes easy and information reaches the potential customer.
- Orders can be secured immediately with effortless ease.
- Tele-shopping becomes convenient and easy.
- Websites provide a certain desirable level of transparency.
- Websites make market research and market survey easy.
- Websites have a greater and faster reach than sales professionals.

### Voicemails

It is one of the modern means of communications. This facility is attached to phones. If you are not at home to attend the phone call, the caller can leave the message in the voicemail.

### Word Processor

Word processing is the production of letters, memorandums, report and other documents through the use of automated electronic equipment. Most word processing today is done through the use of software program. The most popular word processing program is Microsoft word.

### EDL

Electronic data interchange has traditionally transmitted over proprietary VADS (value added data service) which is one of the facilities to transfer data. EDI stated before the internet was widely available.

### LAN (Local Area Network)

A set of computer connected and situated at one spot area more LAN. There may be 2/two or more computers in LANs. They share software, hardware and data.

### WAN (Wide Area Network)

Two or more LANs connected across wide area and make a wide network. Connectivity of the computer scatters all over a wide area can be through dedicated lines of telephones, fiber optical cables or satellite links.

### Telex

Telex is a telegraphic device. It was the facility to type out the message simultaneously on the sender's machine and the receiver's machine. Telex

connections are obtained through postal office. Each subscriber has a number for the connections. The machine is connected with a roll of papers and messages are typed out continuously.

#### **Barriers Caused By Electronic Communications**

- While office automation and electronic communication are opted for a careful study of the barriers caused by the interactions of man and machine should be accessed.
- The fear of new technology is called "technophobia". It has been addressed by familiarization sessions.
- There is a danger of accepting a computer output as correct.
- The quality and effectiveness are skills, the contribution of individuals.

All the best for my students....

Wishes are not only to pass in exams but to succeed in life.

I believe my students in creating a better tomorrow.