

Q1. EXPLAIN BRIFLY THE MEANING OF CORRESPONDENCE?

Correspondence means a “communication by letter”. It also means “a body of letters”. A person who writes letters is known as ‘correspondent’. The word correspond means the act of writing letters to some one correspondence is a kind of written communication from someone who has the information to some one who needs the information. Oral communication is not correspondence. Written communication such as letters, applications, circulars, acknowledgements notifications, quotations, complaints etc. are within the scope of the term correspondence.

Business correspondence or commercial correspondence deals with all kinds of letters that may be within or replied in conducting business transaction. Following are few definitions of the term.

- 1) Commercial correspondence is a written communication on matters related to trade and industry between individuals or a group of individuals on matters of common interests.
- 2) It is written communication relating to business of any interest to both the parties, between whom message have been exchanged.

Q2. EXPLAIN IN BRIEF THE MEANING OF GOOD BUSINESS LETTER?

It is a communication in writing between two persons. A ‘business letter’ can be defined as ‘A written communication on a piece of paper between two persons on matters related directly or indirectly to business. A business letter may be internal or external to the organization. A business letter represents a firm through a piece of paper. What is said in a letter is deemed to be said by a firm. It serves as an instrumental to change the attitude and action of the reader. Business letters help in widening the business and promoting sales by bringing buyers and sellers together in local, national and international markets. A business letter is to achieve certain objects.

Q3. WHAT ARE THE ESSENTIALS OF A GOOD LETTER?

- 1) To be Read:- In the first instance, letter should be attractive enough to read. The reader should feel like reading it.
- 2) To be Understood:- A letter should be clear in conveying the message it carries. The basic purpose and essence of any communication is its ability to create understanding. For this letter should be clear, adequate and consistent
- 3) To be Accepted:- A communication can not be effective unless it is accepted by the reader. The message should be convincing in its tone. A business letter must be written to generate a positive response in a reader.
- 4) To be Acted Upon:- A letter serves as an instrument to change the attitude and action of the reader. It must be able, to achieve the results.
- 5) To Build Goodwill:- A business letter represents your firm just as the personality of its salesman and the quality of this goods or services do. So a letter should be able to make the best possible impression on those who receive it.

Q4. WHAT ARE FORM OR LAYOUT OF A BUSINESS LETTER?

Letter writing is an art and a valuable asset that a correspondent has. It must be written in current form and style. The matter in a letter should be presented in a form and style which is acceptable in the business circle. Form and style of writing a letter varies from person to person and from country to country. It changes from time to time. Form and style refers to the layout or arrangement of different parts of a letter Broadly the form of writing a business letter may be three types.

- 1) Block form 2) Indent form 3) Mixed form.

1) **Block form:-** In a pure block form, every line of a letter begins from the same point in a vertical straight line. In this form the date line, inside address, salutation, every paragraph of the body of the letter, complimentary close, signature etc. begin at the left hand margin. This form and style save typing time as the type writes need not be adjusted time and again.

2) **Indent form:-** This form of a letter suggests a blank space at the beginning of a line. The meaning of the word 'Indent' is to begin further in from the margin than the rest of a paragraph. "In a pure indent form date line and complimentary close begins from the centre. Each paragraph begins at a distance of about ten spaces from the margin. Inside address and signature lines are indented i.e., each line of address and signature part begins at about five spaces from the previous line".

3) **Mixed form:-** This form is also called semi block or semi indented form. In fact it is a combination of both block form and indent form. Here the block form is used for the inside address. Its placement is toward left margin. Complimentary close and signature line is also in block form and is placed toward right hand margin. Date line is also placed is used for the body of the letter.

BLOCK FORM

Heading

Date :- _____

Inside Address: - _____

Salutation:- _____

Body

Complimentary Close

Signature

INDENT FORM

Heading

Inside Address: - _____

Date :- _____

Salutation:- _____

Body

Complimentary Close

Signature

MIXED FORMHeading

Inside Address: - _____

Date :- _____

Salutation:- _____

Body

Complimentary Close

Signature

Q5. WHAT ARE THE DIFFERENT TYPES OF BUSINESS LETTERS?

- (1) Information letters:- such letters are written to send or acquire various types of information needed in the course of business. The examples of such letters are letters of enquiry. Quotations, order letters, trade references, circulars etc.
- (2) Collection letters :- such letters are written to remind the customers regarding overdue bills and making a request to pay it off. The collection letters are written with objects to realize the amount due without losing the customer.

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- (3) Complaints and claims:- such letters are written when some significant defects or shortage are found in the good supplied. Delay in the execution of an order, violation in terms and conditions of contract of sale may also give rise to complaints.
- (4) Agency letters :- such letters are written between manufacturer and his dealer or agent. As dealer and manufacturer are situated at far away places so they can contract one and other only through letters.
- (5) Employment letters: - such letters are exchanged between a job seeker and prospective employer. These are written in the form of an application letter for job. Interview letter, appointment letter, letters of confirmation, promotion resignation etc.

Q6. WHAT IS COMMUNICATION?

Communication means sharing of information or intelligence. The most common medium of communication is language, while speaking we often resort to physical movement of hand shoulders and sometime even smile in order to reinforce or speech. There are many other means of communication available to us. Non-linguistic or Non-verbal symbols have been in use since time immemorial. These have been the most primitive methods of communication. Flags and lights were also in use at different times. Then came the usage of telegraphic code for faster transmission of messages secret codes by means of encryption and decryption were in use telegraphically for military purpose. For the purpose of communication, various methods have been tried but nothing is as crucial as language.

(1) **Memo writing:-** A memorandum is a short piece of writing generally used by the officers of an organization for communicating among them selves. Main purpose of memo is to record or convey information and decisions or to make small requests. Some organization use memo form for short reports. Occasionally, such a memo can also contain an analysis of data and the pinions and recommendations of the officer sending it . it must be written in easy language and style is objective and clear. No emotional appeal is made to the reader to create any kind of psychological impact. Plain language is used to present facts.

Functions:- It is very useful for a business organization. Besides ensuring smooth and fast flow of information in all directions. It also enables business managers to maintain good business relations. It is the most suitable method when personal contacts between the managers are neither possible nor desirable.

SAMPLE MEMO

TATA FURNISHING
Hari Singh High Street, Sgr
Inter Office Memo.

To : Production Manager
From : Managing Director

Refer TF / 123
Dated: 26-09-09

Subject :- Increase of Production.

(2) **Proposal writing: -** Proposals are of different types, namely business proposal, research proposal and technical proposal. Proposals are classified according to contents and objectives of the proposal dealings with various aspects of business, commerce or industry is called a business proposal. When a proposal is required to modify or create something needing technical knowledge and skills, it is called a technical proposal. A proposal can also be solicited or unsolicited.

Structure: - As already discussed, structure of proposal is determined by the essential elements, their sequencing, personal and the organizational requirement. Some common elements that run through almost every proposal are:- Title Page, Table of contents, Preview, Statement of the problem , objectives, Technical

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Plan, Management Plan cost estimates and conclusion. All these elements have a specific place of importance in the ultimate reckoning of a business proposal.

(3) **Report writing:-** A report is a description of an event carried back to some one who was not present on the scene. In other words, a report describes some event to those who are not witness to it. In fact, memorandums, letters, news items are report. When an ins-tructer prepares a list of failed Students, Doctor noting the blood pressure of his patients in a register or a technician measuring % age of various constituents of blood sample etc. they are all writing a report. There are other types of reports which are written as a part of duty. Report is thus an account of some event which attempts to answer a particular question. It is a sort of communication from a report writer to those who show an interest in it.

(4) **Summarizing:-** Communication skills can be better utilized by incorporation summarizing skills since both brevity as well as summary are required for quick and effective delivery of the information. It necessitates sifting reams of information and presenting it logically in order to arrive at a decision. To achieve this objective, there is a need to summarize the available information. It is a process or method of restating an information in brief without compromising on the central idea of the subject. It is not merely cutting short or paraphrasing the original piece of communication. Nor is it going to be mere condensed version. First and foremost requirement of summarizing is a clear understanding of the given passage followed by an innate ability to reproduce its main idea.

(5) **Office orders:-** Business organization are structured according to requirements and objectives which are expected to be achieved. Nevertheless, there are various structural arrangement carried out to meet business needs. A business organization may not be as bureaucratic as a govt. organization. Yet, it also contains certain elements which are common in both the organizations. Chief executive or chairman or President, by what ever name it may be known in the business parlance, is at the helm of affairs with board of directors reporting to him. All other top level mangers or General Managers each heading different specialization area work as chief executives for their respective departments. Orders may be oral or written or just implied. But circulars are mainly written instructions circulated regularly among the members of the organizations.

(6) **Writing Notes:-** Writing notes are also in vague in certain organization. Government organization, public sector enterprises and large sized multi-vocation monolithic private bureaucratic c organization utilize the help of notes on the files. Notes on the files make the file move from one departments or office to another. It provides a space for initiation of decision making process. In the notes on files, the route or processing style of the decision making can be explored. Note communicate a lot and also illustrate different levels of decision making methodology.

(7) **Communication with branch offices:-** In the event of ever increasing globalization, multi - national , multi product and multi vocational business organizations are becoming a reality. Now we have Indian multinationals operating in foreign countries. Cooperate office is usually located in one country and branch offices are located in far flung and widely scattered countries or regions within a country. With the communication technologies emerging on horizons, distances are really becoming redundant and real time communication requirements necessitate information transfer from the corporate office t o the branch offices and vice-versa. In this scenario, communication with branch office becomes important. There is always need for personal, marketing or financial information flow from one office to another or from corporate office to branch office. Workers in the branch offices must provide feedback and real rethink and replan their strategies according to market requirements.

(8) **Preparing Agenda:-** Every business organization has its own set of rules guided by its own structure. Various types of committee function within organizations which need to meet frequently in order to discuss some important matters affectively that organization. Business divisional heads may meet for an emergency meeting to discuss the very survival of the business. Notice must be send anyway to all those who have to attend that meeting notice conveys day. Time and place and sometimes business to be transacted.

Meeting does take place but it does not occur without an agenda. Agenda is an official list of things to be done or dealt with at a particular meeting. It is usually drawn up by the secretary in consultation with the chairman. At the meeting the business is transacted in an order specified by the agenda. Items of the business in an order or agenda are given as an annexure if it consists of a lot of activities or topics. Some organizations do not stick to time frame as it may inhibit the free flow of information during the meeting.

(9) **Resolutions and minutes:-** Meetings that take place according to a well circulated agenda, usually end up being very successful, every successful meeting must resolve to attain certain objectives and pass certain resolutions on some subjects or topics important for the survival of the business organization. All the members who attend the meeting stand by resolution. All the members resolve to make the desired decision in the form of one line statements called resolutions. Resolutions on various important matters are passed in the course of meetings. Minutes on the other hand are the official records of discussions held and decisions taken at a meeting. These are generally written by the secretary of the unit which holds the meeting. Minutes usually contain main points of the discussion held during the meeting, conclusions, recommendations and tasks assigned to the individuals departments or heads. Emotions, anger and other feelings are usually not included in the minutes or these do not become part of record. A clear and concise summary of the business transacted is all that is needed. Minutes are circulated among the members beforehand and then the chairman confirms them at the next meeting after ascertaining from the members having no further amendments to suggest. If any amendment is suggested, the chairman signs the minutes after seeking approval of the members present at the meeting.

(10) **Action plan action taken report:-** Various decisions are taken in the course of the conduct of the business in the business meetings. After lot of deliberations. Certain actions need to follow out of the concrete discussions of the members. Certain visible and practical steps immediately on hand are expected to be taken in the right earnest. The blueprint of the action to be taken in the context of decisions arrived at the meeting is known as action plan. No worthwhile purpose of a meeting is going to be served if a business organization fails to draw up any action plan e.g., if profit margin to be increased is decided in a meeting, then how all the departments in their own way are going to increase profits will constitute the action plan. Each department, section and sub section may draw up their action plans each following from the major action plan. Purpose of action plan is thus to begin the hunt in the right earnest. After action plan is drawn up, action is finally initiated. After lot of hard work by the hard working executives, action is finally concretized. This concrete action taken on the action plan drawn up according to the minutes agreed in a business meeting is called action taken Report (ATR). This is a very important document as it reveals the methodology along with findings and recommendations of the action taken. It marks the culmination of the final action.

Q7. EXPLAIN COMMUNICATION OUTSIDE THE ORGANISATION?

Communication is undoubtedly one of the most central elements in the life of every business organization. It is a dynamic concept and is essentially an essence of the art of business management. Without communication there can be no direction and control and it acts as a unifying link and binding force in the business organization. Business organization operates in an environment controlled by a variety of factors. An immediate environment of a business organization comprises of its various stakeholders. Management and the working force are the most important of all the stakeholders. In order to execute its functions. An organization has to interact with its customers which are the very reason for which the business organization is in existence. Apart from customers. A business organization needs to interact with retailers, wholesalers, suppliers, various govt. agencies, tax authorities, and quality experts, both formal & informal communication. All these stakeholders, with the exception of management & employees, happen to be

external for business organizations. Therefore, external communication pattern evolves on the horizon depending upon the type of organization.

Q8. EXPLAIN BUSINESS CORRESPONDENCE REQUEST FOR QUOTATIONS?

Every business organization writes a plenty of letters to its various stake-holders or other external agencies. But the most common of all will be some sort of enquiry letters to the suppliers through which business managers would ask them to quote rates and modes and terms of payments in respect of the items that they wish to purchase. It is therefore natural for business organization to invite quotations from several suppliers or sellers before placing an order. It means quotation precedes orders. The main purpose of inviting quotation is to find out who can provide the cheaper and the best supply of goods required. Good purchase or quality inputs determine the quality outputs which are going to be sold in order to reimburse business expenses and earn profits. Therefore, there is a need to learn as well as exercise caution in drafting contents of letters seeking quotations. There are certain conditions or pre-requisites to be observed while writing letters inviting quotations. Such as:-

- (1) Express the business requirements clearly in an unambiguous manner giving detailed specification such as size, shape, desired quality & quantity of the goods required to be purchased.
- (2) Ask the seller to maintain price of the goods & mode terms of payment whether in cash or by invoice or cheque etc.
- (3) Indicate the time frame by which the goods are required to be delivered.
- (4) Call for the guarantee & warranty if any along with normal expected life of the goods to be purchased.
- (5) Ask for installation charges if any in case goods are required to be installed and terms and conditions of after sales services and repairs.
- (6) Ask for validity period of the quotations.

Opening and closing of the sentences of quotations letters matters a lot while inviting and sending quotations.

ORDERS:-

Sender of the quotations reacts in response to the invitation of quotations. As a logical and of this response, goods are required to be ordered by the organization which invites at first. As a part of complete purchase process, orders occupy an important place. Following points are required to be borne in mind while handling the order:-

- (1) Place a crystal clear and firm order. It is the only thing that is of any importance to the supplier.
- (2) Specify quantity and unit price along with gross total amount along with mode of payment as agreed mutually.
- (3) Mode of conveyance of goods & transportation charges must be mentioned along with reasonable and mutually agreed time frame within which goods are to be achieved.
- (4) Mention full address of the place where goods are to be delivered. Goods will be packed in general by the seller but any specific packing requirement must be mentioned in case required at a separate price.
- (5) Clarify if freight insurance or other in transit insurance is required or not.. however , it is to be specifically instructed to the seller in the order itself.

TENDERS:-

A tender is an invitation to the prospective seller of goods and services at specific rates who respond. It is an open invitation in the form of a notice which can be responded by many prospective sellers. The one who quotes the lowest rates is liable to be selected and is made to sign a contract with the buyer. Contract shall be binding on the seller to do what has been promised. A tender is generally invited for a job whose execution is spread over a long period of time or needs prior preparation. It may be construction of road, building, and bridge or bulk supply of goods which are required to be arranged or manufactured in a given devised standard format for inviting and submitting tenders. Govt. departments follow a very time consuming and arduous procedure for inviting processing and finally selecting tenders. But usually all organizations irrespective of whether being private or public sector, finally select tenders which quote the least price.

TENDER NOTICE:-

Through issuance of tenders notices an organization expects response from the prospective bidders on the conditions mentioned in the tender notice itself. Tender notice is a mode of external communication in which organizational requirement is expressly mentioned. These notices are advertised through various media like newspapers. Trade journals and magazines etc. while many organizations including govt. departments etc, have devised standard procedure for inviting bids for tenders and designing and drafting tender notices, yet there is certain minimum information that must be included in the tender notice. These are:-

- 1) Purpose of tender and approximate cost should be mentioned.
- 2) Documents and specification to be sought at a given time and place.
- 3) Details of earnest money and mode of payment should be mentioned.
- 4) Acceptance of tender should be in a proper format and failing to adhere agreed terms and conditions shall make the tender null and void.
- 5) No effort should be made to win over the tenders especially by employing wrong tactics or means.

Prescribes forms of tenders devised by different government departments invariably include all these aforementioned details.

DRAFTING OF SALES LETTERS:-

Since sales letters is a letter in itself but has a specific purpose at hand, its contents are akin to what an ordinary letter has. Every sales letter thus has three main parts namely introductory paragraph, main body and concluding paragraph of paramount importance. Every reader of the letter makes an assessment of the contents of letters based on the introductory sentences contained in this paragraph. This sentence is the first to be read and therefore utmost precaution must be observed while writing it. It should be able to engross the interest of the reader if it is properly structured. It must be able to appeal and strike a rapport with its reader. In fact, how well we write this sentence determines the entire contents. Badly written opening sentence can hasten the sales letters journey towards the waste basket. At the end of the introductory paragraph. Try to make special appeals to the pride of possession and if plausible, pose a question, at the end, to the buyers. The conclusion of a sales letter should be able to clinch the issue of sale by prompt action with inducement like Hurry! Limited stock, special offer, convenience in buying etc.

COMPLAINTS:-

Mistakes and errors will occur irrespective of the fact whether the business is better managed or not. Every businessman would like to take precautions and due care in order to satisfy his customer because he wants to increase his sales. In fact, a dissatisfied customer may show the businessman door out of the business. Irrespective of the motive to satisfy customers, business firms do receive letters of complaints

pertaining to various facets of business functioning. Before writing any complaint about the business, a customer must satisfy himself that it is genuine complaint and not written in a huff without any rhyme and reason. When a complaint letter is sent it is understood that it communicated the errors or mistakes made by the seller. It requests him to rectify those errors or mistakes at his end. A letter of complaint must be persuasive in nature and courteous in language. There are different occasions which call for rousing of complaints. There are:-

- 1) Delayed delivery of goods.
- 2) Price charged more than the quoted in the quotation/tenders etc.
- 3) Wrongly delivered goods at wrong place or time.
- 4) Change in quantity and quality as desired.
- 5) Mistakes or errors in the invoices or bills.
- 6) Damaged consignment also causes complaint to be raised.
- 7) Received goods found different from the ones ordered.
- 8) Dissatisfied customer due to faulty and shabby services.

Breach of terms and conditions initially agreed upon is the most common and legal reason for lodging of complaints.

CORRESPONDENCE WITH LOCAL AND FOREIGN CUSTOMERS AND SUPPLIERS REGARDING DUES ETC:-

Business organization conducts their business both with local as well as foreign customers. With the concept of Indian multinationals gaining ground. There is an every livelihood that there's going to be correspondence between the organization and its customers and suppliers being physically located in foreign countries. Thus there is every possibility that both customers as well as suppliers of an organization are scattered all around the globe including both domestic as well as foreign diets. Further, business dealings are carried on the faith as well as on legal credit terms. There is every live hood of one firm accepting only part payment in respect of the goods purchased or services rendered. Retailers many times pass on the goods on credit to the customers. In this entire chain from the suppliers to the customers, there is some amount of due payments required to be paid at a later date sometimes, part payments received are also informed and finally left over or balance due is thus so light. Some organizations are notorious for delaying payments on one pretext or the other. But sound business practices demand that payment's must be paid as and when they become due. Even banks also indulge in this sort of correspondence with their customers who have taken loans from them. As already mentioned, There is not much difference between the type of correspondence undertaken with local and foreign customers and suppliers regarding dues except for the terms and conditions agreed upon already and currency and other details pertaining to import and export policies of the countries in question.

FOLLOW UP LETTERS:-

Every business tries hard to increase his business through adoption of various -methods depending upon his capacity and financial processes. The ultimate goal is to increase the sales of the business. Mere advertisement for the sale f goods may not yield desired results. Some other steps may be necessary to obtain real benefit. One of such steps is known as follow up letter. It is a system in which approach to prospective customers are made through these follow up letters. Follow up letters are sent usually through in standardized format. Each successive letter is worded in a more intimate language so that it is pleasantly readable, courteous, suggestive, and full of confidence. Mail order business organization survives mainly on the follow up letters. Indexing cards are sometimes used to contact the prospective buyers. Follow-up letters

are most of the time printed or cyclostyled letters. These letters must be courteous enough, and pleasant in nature, certain points must be kept in mind while drafting letters. These are:-

- 1) Draft the letter in such a way as to suit the needs, desires and the way of thinking of the particular class of customers.
- 2) Make an appeal and highlight the positive features.
- 3) Convince the reader by giving evidence.
- 4) You can use new type of arguments again and again to make the point so that action is desired.

Q9. WHAT IS CIRCULAR? EXPLAIN CIRCULAR LETTER?

The circular letters are written on matters which are important and of interest of the reader. A circular letter is a kind of an announcement, an invitation or an advertisement and may be written to impress the reader with facts and information. Such letters are also written to obtain publicity for a cause. The information contained in a circular should be correct, concise and able to gain the confidence of the reader. A circular is a communication to a large number of persons so it is necessary to duplicate the draft circular to obtain number of copies. It is a correspondence to a large number of readers. It is addressed to a person. It is written to impress the reader with facts and information. It contains the some subject matter. A circular can be defined as a communication of same message to a large number of readers. The message contained in the circular may include information about the company. Its policies change in address, opening of a new branch, introduction of a new product, change in telephone number, admission of a new partner, etc. the number of readers of circular may include customers suppliers, dealers, employees, general public etc.

SPECIMEN OF LETTER
TATA FURNISHING
Hari Sing High Street.

Srinagar
Sep-26-2009

Dear Sir,

We are pleased to inform you the opening of our new branch at 74, Sadder Street Calcutta with effect from New Year day.

This branch will cater of our dealers and customers situated in the Eastern Part of India. Now the goods ordered can be supplied from the branch without any delay. The branch shall also maintain a service department for repair and maintenance of equipment during warranty period. The branch has been placed under the management of our Branch Manager, Mir Nazir Ahmad.

The formal opening of the branch shall take place at 10.00 A.M, on January 1, 2010. Your presence on the occasion shall give us pleasure. We assure you best services in future and look forward for your cooperation and patronage as in past.

Yours faithfully,

Aroma Enterprises

Signature

Partners

Q10. CORRESPONDENCE WITH BANKS REGARDING OVER DRAFT? EXPLAIN?

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Development of banking and insurance institutions points towards the level of growth an economy has achieved. Better developed institutions necessitate equally deserving correspondence that becomes part of every business activity. Main functions of the banking system are accepting deposits and granting loans. Main purpose of study at hand is to deal with various types of correspondence the business organization have with the banks.

Banks offer many types of accounts and deposits to the convenience of the business community. The relation between a banker and a customer is that of debtor and creditor. Banking correspondence stems from the frequent interaction that banks have with their business customer. There may be complaints from the parties to the bankers which can be rectified through this correspondence. Letters may be written for the purpose of account opening, cash withdrawals, over-draft facilities, current account, deposits, loan, overdrafts, collection of dividends, drafts, interest etc. essential characteristics of banking correspondence are briefness, clarity, completeness, accuracy courtesy, tactfulness and confidence.

Q11. EXPLAIN CORRESPONDENCE WITH INSURANCE COMPANIES?

Human activities are exposed to many types of risks. Persons exposed to risk and desiring it to be covered contribute a small amount to an insurance fund from which the sufferers are compensated. This is called insurance. Therefore, it is a contract by which the insures in consideration of the payment of a sum of money called premium agrees to pay a specified sum to the insured on the happening of certain event. Value of the premium depends upon the nature and type of risks covered.

Even business organizations like a human being are not free from risks. In fact, a business firm has far greater risks than a human. In other words, business correspondence with insurance companies is plenty. There are several types of insurance depending upon the type of risk. Risks of fire are covered by fire insurance; goods vessels and freight exposed to marine risks are covered by marine insurance. Losses by theft are covered by burglary insurance, risks due to employment in the form of accidents or deaths are covered by workman's compensation insurance. Risk of life is covered by life insurance. A proposal form is supplied by the agent to the insured. The letter is usually initiated by the insured. The insured may write insurance company about a request to grant loan against a policy, letter enquiring missing credit of a premia, enquiry about the surrender.

