

UNIT 4

COMPANY SECRETARY

The company secretary belongs to a different class by himself. The largest and the most important group of secretaries in the business world comprise of secretaries appointed by joint stock companies. With the growth and expansion of corporate sector, there has been growing appreciation of the secretary in the company administration. He, in fact, occupies a unique position in the company hierarchy.

DUTIES OF THE SECRETARY

The duties of the secretary can be broadly classified into two kinds such as-

1. Statutory duties, and
2. General duties

1. STATUTORY DUTIES OF THE SECRETARY

The statutory duties of the secretary arise out of his position as mentioned in different statutes e.g. Companies Act, Income Tax act., If the secretary fails to attend to those matters, he shall be considered as an “Officer in default” and should face the consequences. The following are the important statutory duties of the secretary.

1) Specific duties under companies act : The companies act specifically imposes the following duties on the secretary to be performed either by himself or as the alternate by some other office e.g. directors.

1. To sign any document of proceedings requiring authentication by the company.
2. To sign copies of annual returns to be filed with the Registrar of companies.
3. To authenticate the Balance sheet and the Profit and loss account on behalf of the board and after approval of the board.
4. To sign copies of the balance sheet and profit and loss account files with the registrar.
5. To sign the statutory declaration at the time of incorporation. If his name is also mentioned in the articles.
6. To verify the statutory declaration in relation to the commencement of business.
7. To verify and to submit the statement of affairs regarding the assets, debts and liabilities to the liquidator at the time of winding up.

2) Secretarial duties under Companies act: The secretary, besides the duties mentioned above, should perform certain duties under the Companies act. The secretary himself should perform these duties. Some of the secretarial duties are given below:

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

2. GENERAL DUTIES OF THE SECRETARY

Besides the statutory duties mentioned above, the secretary of a company has several other duties. These duties can be classified into four major groups. They are as follows:

1) Duties to the directors: The secretary is under the full control of the board of directors. He has to carry out the instructions of the directors and can exercise only those powers, which are delegated by the board to him. However, in relation to the directors, he has to perform the following duties in general.

1. To deal with all correspondence in which the directors themselves are interested.
2. To issue notice and agenda for the board and the general meetings, attend such meetings, keep notes of the proceedings, maintain separate minutes for these meetings.
3. To act as a liaison between the Board and the shareholders and the staff etc.
4. To ensure submission of Statutory returns in time.
5. To keep calendars of the due dates or checklist of meetings, so that returns etc, can be filed on the due dates.

2) Duties to the shareholders: The secretary is the connecting link between the directors and the shareholders. In relation to the shareholders, the secretary owes the following duties.

1. To do all necessary things connected with the issue of shares such as issue of prospectus, share application forms, allotment letters and of share certificates etc.
2. To maintain several non-statutory books such as share transfer book etc.,.
3. To arrange for funds and pay interest on loans received.
4. To arrange for funds and issue dividend warrants within the specified time.
5. To issue notices and agenda for the general meetings, class meetings and to attend correspondence received from them.

6. To attend and maintain minutes books of such meetings.

3) Duties of the organization and staff: The secretary is the executive head of the office. All the heads of the departments should be in touch with the secretary and it is only through the secretary that the orders of the higher management are conveyed to them. The secretary, therefore, should communicate the instructions of the board. Sometimes, he may also be asked to assist the personnel department in recruiting and training the office staff.

4) Duties to outsiders: The secretary is fully aware of the policies of the management. Therefore, he is the gateway of the board of communication with the general public. The general public, in this context, means and consists of the company's creditors, bankers, solicitors, debenture holders and the prospective investors.

CLASSIFICATION OF SECRETARIAL CORRESPONDENCE

While performing his duties as the secretary, he has to correspond with the directors, shareholders, office staff and outsiders. The nature of correspondence with the above-referred persons is discussed below:

1. Correspondence with the Directors:

The secretary, being the servant of the board, should contact the directors frequently. As he meets the directors personally during the board meetings, he is not required to carry on much correspondence with them. However, the secretary will have to correspond with the directors when:

1. The notice of the Board meetings is to be sent.
2. A particular information is to be conveyed under the instructions of the Chairman or in response to an enquiry from a director.
3. A director, who is absent from a board meeting, asks for a report of its proceedings.
4. A director proposes in writing that a particular matter should be included in the agenda and the chairman asks the secretary to write a letter to the director persuading him not to insist to include such matter in the agenda.
5. A director proposes some cause of action, which is not in the interest of the company, or which is illegal and the chairman asks the secretary to point out this to the director.

2. Correspondence with the shareholders:

The secretary, although, basically a servant of the board of directors, he is also in a sense servant to the shareholders who are the real owners of the company. The correspondence of the secretary with shareholders usually relates to the following matters.

1. Complaints relating to low or unsatisfactory dividend.
2. Late or non-issue of notices relating to the meetings, issue of a fresh share certificate, lodgment of transfer deeds, transfer and transmission.
3. Notice and circulars relating to the change of address of the company or schemes of reconstruction, etc or any other change in the structure of the company.
4. Request for inspection of books and registers etc.
5. Letters in response to complaints and special requests made in writing by the shareholders.

3. Correspondence with the registrar and company law board:

Joint stock companies, be they public or private, are governed by the provisions of the companies act,1956 and its subsequent amendments. The secretary, in his capacity as a responsible official of the company, has to see that each provision of the act is complied with. In this connection, he has to observe certain formalities and to submit periodically statements, returns etc. to the registrar of companies. He has also to carry on correspondence with the company law administration department of the Government of India.

4. Correspondence with the office staff :

The correspondence of the secretary is also with the staff employed by the company. Here he is a business executive with a final and deciding voice. He must be able to take a firm and quick decision. His letters should carry a note to authority. At the same time, the secretary has to avoid unpleasant words and has to be very tactful in dealing with union members.

SPECIMEN LETTERS

CORRESPONDENCE WITH THE DIRECTORS

Letter requesting a director to attend a Board Meeting

TAMILNADU CHEMICALS LTD.

28, Peters road,
Royapettah,
Chennai-600 014.
15th October 2013.

Mr.S.Chandrasekaran,
4, Eldams Road,
Coimbatore- 641 001.

Dear Sir,

You are probably aware that an important item of the company's policy is on the agenda for the next Board meeting. Nearly thirty percent of our plant capacity is idle and this leads to huge and unwarranted overhead expenses.

Ways and means for utilizing this spare capacity will be discussed at the next meeting. A new chemical factory, Mumbai chemicals co. private ltd. Has approached us with an offer to manufacture a few of their products in our plant. The only point difficult to decide is whether to allow a rival firm to expand its business by using our factory to manufacture its products.

As this item has crucial importance, your opinion will be of immense value in arriving at a decision.

I have been asked by the Chairman, therefore, to request you to make it convenient to attend the next meeting of the Board of Directors, where this item will be on the agenda.

Yours faithfully,

A.Sekaran,
Secretary.

CORRESPONDENCE WITH THE SHAREHOLDERS

Reply to a shareholder who complains about Lower Dividend

DIAMOND MOTORS LIMITED

8,N.S.C. Bose Road,
Chennai -600 001.
17th October 2013.

Sri.M.Sathish,
5, Llyods Road,
Gopalapuram,
Chennai – 600 086.

Dear Sir,

In your letter of October 15, you have expressed the view that a higher dividend than what has been declared should have been recommended by the Directors.

We should like to point out that in taking the decision about dividends the Directors were solely guided by their desire to strengthen the financial position of the company. In the larger interests of the company, they thought it fit to plough back half the profits into the general reserve fund of the company, which in fact will automatically improve the potential value of the shares.

The condition of the trade and the changes in the export policy of the Government were also considered before this decision was taken.

It is also pointed out in the Director's Report that declaration of a higher dividend would not be in the best interests of the company.

We trust that the position is now clear.

Yours faithfully,
For Diamond Motors Limited,
S.Sangeeth,
Secretary.

AGENDA AND MINUTES OF COMPANY MEETINGS

A company, being an artificial person cannot act on its own. Some human agency is, therefore, essential to decide the course of action to be taken by the company and to conduct the business of the company. The company administration is generally left to the Board of Directors. The company meetings constitute the important part of the company administration. Moreover, it is also essential for a proper understanding of the company administration to know how the company meetings are summoned and conducted.

KINDS OF COMPANY MEETINGS

The meetings of a company can be broadly classified into four kinds:

1. Meetings of the shareholders.
2. Meetings of the Board of Directors and their Committees.
3. Meetings of the debenture holders.
4. Meetings of the creditors.

The meetings of the shareholders can be further classified into four kinds namely, 1. Statutory meeting, 2. Annual general meeting, 3. Extra ordinary general meeting, and 4. Class meeting.

1. Meetings of the Shareholders

It is already stated that the meetings of the shareholders can be classified into four kinds. They are the following:

1. **Statutory meeting:** This is the first meeting of the shareholders conducted after the commencement of the business of a public company. Sec 165 of the companies act provides that every public company should hold a meeting of the shareholders within 6 months but not less than one month from the date of commencement of business of the company. The statutory meeting is the first general meeting of the company.
2. **Annual General meeting :** The Annual general meeting is one of the most important meetings of a company. It is usually held one in a year. This meeting is to be conducted by every company whether public or private, limited by shares or guarantee, having or not having a share capital.
3. **Extra ordinary General meeting:** Statutory meeting and annual general meetings are called ordinary meetings of a company. All other general meetings other than these two

are called Extra ordinary general meetings. These meetings are generally called for transacting some urgent or special business which cannot be postponed till the next Annual general meeting. Every business transacted at these meetings are called special business.

- 4. Class meeting:** Class meetings are those meetings, which are held by the shareholders of a particular class of shares e.g. preference shareholders or debenture holders. Class meetings are generally conducted when it is proposed to alter, vary or effect the rights of a particular class of shareholders. Thus, for effecting such changes it is necessary that a separate meeting of the holders of those shares is to be held and the matter is to be approved at the meeting by a special resolution.

2. Meetings of the Board of Directors

Meetings of the directors are called Board meetings. These are the most important, as well as, the most frequently held meetings of the company. It is only at these meeting that all important matters relating to the company and its policies are discussed and decided upon. The directors of most companies frame rules concerning how, where and when they shall meet and how their meetings would be regulated. These rules are commonly known as standing orders.

DUTIES OF THE SECRETARY IN THE BOARD MEETINGS AND OTHER MEETINGS

It is the board meeting in which much of the real work of managing the business of the company is transacted. Therefore, it is more appropriate to divide the duties of the secretary under three heads.

1. Duties of the secretary before the meeting.
2. Duties of the secretary during the meeting.
3. Duties of the secretary after the meeting.

1. Secretary's duties before the meeting:

1. To issue notice of the meeting to the directors.
2. To prepare the agenda for the meeting.
3. To arrange for the attendance at the meeting of other officials of the company such as auditors etc. Whom the directors may also desire to consult.
4. To have in readiness all the documents requiring the attention of the Board and cheques, transfers, share certificates etc. requiring the signature should also be kept read.

5. To have in readiness the company's seal and indexed copies to the memorandum and the articles for reference.

2. Secretary's duties during the meeting:

1. To get the signatures of the Directors in the Director's attendance book.
2. To ensure that all the required documents, papers etc. are on the table for ready reference.
3. To read the minutes of the previous meeting.
4. To produce the banker's passbook with a statement on the financial position of the company.
5. To take down notes of the business transacted. This will form the basis of the minutes to be drawn up later on.

3. Secretary's duties after the meeting:

1. To write up the minutes as early as possible after the completion of the meeting.
2. To issue necessary instructions to the company officials about the decisions of the Board of their executions.

NOTICE OF THE MEETING

The companies act contains elaborate provisions regarding the notice of the meetings particularly for general meetings. The legal provisions can be summed up as follows:

1. Length of the notice: The length of the notice required for convening a general meeting is not less than 21 days. The expression "not less than 21 days" means "21 clear days". I.e. the date of serving the notice and the date of holding of the meeting are to be excluded.

2. Shorter notice under special cases: However, a shorter notice is permissible in the following cases.

1. If the meeting is of any other type and the company has a share capital, with the consent of the holders of 95% of such part of the paid-up capital having wrong right.
2. If the company has no share capital, then any number of members having not less than 95% of the total voting power exercisable at that meeting.

3. To whom the notice should be sent: Sec.172(2)states that the notice of the meeting of the company should be sent to every member, entitled to attend and vote and having a registered address in India or who have supplied an address to the company for this purpose.

1. By ordinary post to the registered address within India by prepaying the postage, or

2. By registered post or under certificate of posting if a member so desirous and a sum sufficient to cover the expenses is received from him in advance.

4. Contents of the Notice: Every notice should specify the place, the day and the hour of the meeting and the business to be transacted at the meeting. In case of an Annual General meeting, it should be held only in the registered office during business hours on a day which is not a public holiday. Other general meetings can be held at any other place. The notice should also specify the business to be transacted in the meeting.

5. Explanatory Statement: It is not only enough to state the nature of the business. It is also necessary that all material facts relating to the special business should be circulated to the members along with the notice of the general meeting. The explanatory statement should contain the following particulars.

1. A statement of material facts. The facts having a direct bearing on the company should be disclosed fairly and in a manner not to mislead the shareholders.
2. The nature of concern or interest of any director or manager in the approval of the special business.
3. The shareholding of the interested director or the manager if it is not less than 20% of the paid-up capital.
4. If the special business relates to the approval of a document, the time and place where the document can be inspected shall be specified.

SOME HINTS ON THE CONTENTS OF NOTICE

The drafting of the notice of general meetings requires some more clarifications on the contents so that the students will understand how to draft a notice for the general meetings. They are given below.

1. Description of the meeting: It should be specifically mentioned on the top of the notice that it is for the Annual General meeting or Statutory meeting and so on.

2. Date of the notice: The notice should bear a date. The date of the notice is the date of posting the notice to individual shareholders. According to Section 171 of the act, only giving not less than 21 days notice can convene a general meeting of a company. Therefore, the time gap between the date of the notice and the date of the meeting should be not less than 21 clear days.

3. Date, Time and Place of the meeting: The notice should specifically mention the date, time and place of meeting. In case of Annual general meeting, it should be held only at the Registered office, during business hours and on a day which is not a public holiday. The other general meetings can be held at any other place and on any other date.

4. Nature of the Business: The business transacted at a meeting is of two types namely, 1. Ordinary business, and 2. Special business. Both ordinary business and special business can be transacted in the AGM. But in case of other meetings, only special business can be transacted. Special business should be separately shown in the notice.

5. Separate resolutions for Appointment of each Director: The act also provides that separate resolutions are to be passed for appointment of each director.

6. Appointment of Directors Retiring by Rotation: According to the section 173(1), appointment of directors retiring by rotation is an ordinary business. It is also presumed that the appointment of directors, in any manner other than by rotation is a special business.

7. Text of the Resolutions: In case of ordinary business, the text of the resolution need not be given, whereas in case of special business the whole text of the resolution should be given.

8. Right person should issue the notice: Only the Board of Directors has the right authority to issue orders to convene the meeting. Neither the managing director nor the manager nor the secretary has the right to issue notice of the general meeting.

9. Proxy Rules: The proxy rules should be indicated prominently on the notice by way of a note. The proxy rules shall not apply for the 92Board meetings.

10. Explanatory statement: Section 173(2) of the Act requires that an Explanatory statement should be enclosed in case of every special business. The statement should disclose all material facts and the nature of interest of the directors.

11. Documents available for inspection: If the special business relates to the approval of a document, it should be mentioned that the document is available for inspection. The time and place where the document can be inspected shall also be specified in the notice itself.

AGENDA FOR THE MEETING

The term Agenda means the “things to be done” or “business to be transacted at a meeting”. In order to transact the business of a meeting systematically and without omission of any important item, it is necessary to put down the items of business to be done on a paper called the “Agenda Paper “ or Agenda.

The agenda should be circulated amongst the members along with the notice of the meeting. No business should be transacted at a meeting unless it is specified in the Agenda paper.

The preparation of the agenda is the work of the company secretary. He should do this job in consultation with the Chairman of the company. In preparing the agenda, The secretary should take care to include therein all the business to be transacted. The matters should be presented clearly and in a summary form so that the members can grasp the matters in advance and to form some opinion.

The agenda should be so drafted as to help the quick disposal of the business. The usual practice is to put the routine items first and the complex matters latter. So that routine matter can be disposed of first and the latter part of the meeting can be utilized for discussion of more important items. It is also considered advisable that matters of similar or allied character should be placed in continuous order.

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 one line about each item.

For example:

1. To read the minutes.
 2. To pass the transfers
 3. To produce financial statements
2. By giving more details about each item and even sometimes including suggested drafts of the resolutions for consideration of the meeting.

The second method is found more suitable as it helps the secretary to write the minutes easily.

MINUTES OF THE MEETING

DEFINITION OF MINUTES

The term minutes can be defined as the written record of the business done at a meeting. E.g. resolutions and decisions of the meeting. But speeches and arguments are not recorded in the minutes. Only resolutions and decision are recorded in the minutes. The minutes differ from reports. Reports contain records of what was said while minutes are records of what was done.

WRITING OF MINUTES

Minutes being an authenticated record of the meetings, great care and caution is needed in entering the information correctly in the minutes books. It is the duty of the company secretary to write the minutes of the meetings. The minutes though intended to serve as a

permanent record available for future reference, they should not be too lengthy. The secretary while for future reference, they should avoid all superfluous words. The language should be simple and brief.

SOME HINTS ON THE WRITING OF MINUTES

A few hints on the writing up of the minutes are given below:

- 1. Heading of the minutes:** The minutes of each meeting should have a heading containing the nature of the meeting, date, time and place of the meeting.
- 2. Names of the members present:** The minutes should contain the name of all those who are present in their capacity as members and also those who are present in some other capacity. It is usual to attach to the minutes a list of all the members and others present at the meeting.
- 3. Sub-headings of the business:** To facilitate reference to a particular item in the minutes, it is advisable to write in the margin or at some other suitable place, a brief appropriate sub-heading or a marginal note. Each heading should be numbered and underlined. It is also advisable to write the heading slightly bolder than ordinary handwriting in which the minutes are written.
- 4. Dates and Figures :** Dates and figures must be mentioned and not skipped over. For instance, if a reference is made in the minutes to letters and reports, their dates should always be mentioned.
- 5. No reference to personal feelings:** It is advisable not to make any reference to the feelings of the individual directors or members.
- 6. Brief and short:** It is not necessary to record word by word the discussions which led to the adoption of a certain resolution or the taking of a particular decision. It is sufficient if the resolution passed or decision taken is proceeded by a short description.
- 7. Special Resolution:** If a resolution is required to be passed by a given majority as in the case of special resolutions, the minutes should state that the resolution was carried by the requisite majority and also the number of members who voted for and those against the resolution.
- 8. Tense and voice:** The minutes should always be written in simple past tense impersonal passive voice.
- 9. Rough draft:** Minutes once written cannot be materially altered. Hence, great care should be taken in preparing the minutes. Therefore, it seems to be advisable for the secretary to write a rough draft of the minutes before writing the minutes in fair in the minutes book. This will avoid the necessity of altering the minutes subsequently.

REPORT WRITING

MEANING AND DEFINITION OF REPORTS

A report is an orderly statement of observed facts in a particular context. The term report is derived from the Latin word “Reportare”, which means to carry back. A report, therefore, is a description of an event carried back to someone who was not present on the scene. Scholars formulated various definitions for the term Report and some of them are reproduced below.

Definition of Parkburst: “ A report is a written presentation of facts and data necessary for an understanding of a given condition, situation or a problem.”

CHARACTERISTICS OF A GOOD REPORT

A good report should have certain important characteristics. They are as follows:

- 1. Precision:** The report should be precise, clear and up to the point. This can be achieved by avoiding repetition, by adopting an easy and understandable style of presentation and by being exact rather than being rambling.
- 2. Accurate:** The facts reported must be accurate. Inaccurate facts may lead to faulty conclusions.
- 3. Relevance:** The matters specified must be relevant. That is, all irrelevant and unconcerned matters should be avoided and at the same time all relevant matters should be included without any omission.
- 4. Reader orientation:** A good report is always reader oriented. Because the report meant for a technical expert will be different from another meant for a layman. Therefore, the report writer should always bear the person in mind to whom it is meant for.
- 5. Clarity:** Clarity should not be sacrificed for the sake of brevity. The report should be clear in all respects. Clarity depends upon the proper arrangement of facts and figures.
- 6. Simple and Unambiguous style:** The language used should be very simple. High sounding words and phrases should not be used because the report aims at conveying a picture of the situation as it exists.

- 7. Recommendations:** If recommendations are made, they should be impartial and objective. They should be based on the logical analysis of the facts and circumstances.

IMPORTANCE OF REPORTS

Report helps the businessmen in the following ways:

1. It helps an executive to perform his functions of planning and evaluating men and resources efficiently.
2. It helps in improving the working and the performance of an industrial unit through an analysis of its own process of production, etc., and comparison with similar other organizations.
3. It helps in revealing the several gaps, identifying the deviations from the correct line and deficiencies in strategies and tactics followed.
4. It helps in taking decisions regarding the taking up of new ventures or entering into new lines of business etc.

CLASSIFICATION OF REPORTS

A definite classification of reports is practically impossible. They can be classified into different ways on different basis. Some classify the reports from three different points of view.

1. From the point of view of the legal formalities to be complied with (Formal reports and informal reports)
2. From the point of view of the number of persons drafting the report (Individual reports and committee reports).
3. From the point of view of nature of the report.

1. Classification of the Basis of legal formalities

The reports can be classified into two kinds:

1. Formal reports and
2. Informal report,

Of these two, informal reports have no specific form and pattern.

Formal Report : A formal report is one which is prepared in a prescribed form and presented according to an established procedure a prescribed authority. The formal reports can again be divided into two kinds.

1. Statutory Reports
2. Non-statutory reports

1. Statutory reports : A report prepared and presented according to the form and procedure laid down by law is called a statutory report. It generally refers to a report submitted to the statutory meeting of a company. For example, Auditors reports, etc.,

2. Non- statutory reports: Non-statutory reports are not prepared in a specified form and in a specified procedure. But the subordinates or experts prepare them when they are called for by the higher officials. They have no specified form or standardized procedure.

II. Classification on the Basis of the persons preparing

Reports can again be classified into two types viz.,

1. Reports by individuals, and
2. Reports by committees.

1. Reports by Individuals: As the name suggests, the report submitted by individual officers are known as Report by individuals.

2. Report by Committees: In cases where reports are needed on subjects that do concern more than one department or the situation demands for the association of two or more persons, committees are constituted to draw the report. Such reports are known as committee reports.

III. Classification on the Basis of the nature of the report

- 1. Informational Reports:** An informational report contains only data collected or facts observed in an organized form. It presents the situations as it is and not as it should be. It does not have any conclusion or recommendation. It is useful because it presents the relevant data put together in a form in which it is required by the management to take decisions. Informational reports can be further classified into two types: 1. Periodic report, and 2. Progress report.
- 2. Examination Reports:** These reports are prepared after a thorough examination of a problem. In such reports, a situation or a problem will be studied and its implications are scrutinized from factual, technical and financial statement. The findings are presented in the usual draft. Examination reports are also presented to study the cause effect relationship regarding any problem.
- 3. Analytical Report:** Analytical reports are widely used in business houses as a guide post for policy formulation. They contain not only facts but also their evaluation and suggestions to solve the problems connected with the subject matter of the report. Since these reports contain specific recommendations, they are also known as Recommendation Reports.

- 4. Statistical Reports:** As the name suggests, these reports are largely made up of financial data, mathematical charts, etc., Although statistical data may be introduced into other types of corroborate facts and facilitate recommendations, if a report is mainly based on such data, there should be some justification in describing it as a statistical report.

PREPARATION OF THE REPORT

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

- 1. Defining the purpose and scope :** The problem or the situation to be taken up for reporting should be precisely defined. The writer should find out what exactly is to be examined, why is to be examined and for whom it is meant.

- 2. Determining the Audience :** Then the writer should find out to whom the report is to be submitted. If it is to an individual, the matter is not complicated. If the audience is large and varied, the report writer should carefully find out what they know and what they do not know. He should also select the appropriate style suitable to the audience concerned.

- 3. Collection of Data:** The data are the raw materials of reports and hence essential for processing conclusions. There are a number of methods and sources for collection of data . They are as follows:

1. Methods of collecting the data:

Personal observation, Telephone interview, Personal interview and questionnaire.

2. Sources of Data

Internal records and external records, published materials, research works, etc.,

- 4. Analysis of the Data:** The mass of data collected shall have to be sorted out in order to appraise accurately the position and evaluate the subject matter under report. To establish casual links between the various facts and figures collected, it is necessary to arrange the data systematically through tabulation, charts, graphs, etc.,

- 5. Making the outline :** It is essential to prepare the outline of the report before he actually starts writing it. The outline will provide a frame work into which the writer can fit an orderly manner, various bits and pieces of information he has collected and his own conclusions.

WRITING OF THE REPORT

The final draft cannot be introduced in the first attempt itself. The first draft should be written. It is always a rough draft and is a trial version of the report. Therefore careful revision is needed to improve it.

1. Go carefully throughout the notes and try to visualize the entire report before writing.
2. Follow the outline closely.
3. Start writing immediately.
4. Write rapidly without interrupting the train of your thought.
5. Concentrate on the subject matter.
6. Double space – leave sufficient margin on all the four sides for correction and revisions.
7. Number the pages as you would do in the final draft.

ORDER OF CONTENTS

The order in which the various elements are organized are given below. It contains ten elements which are listed below:

- 1. Cover:** A cover is usually made of white or some soft neutral coloured card.
- 2. Frontispiece :** A frontispiece appears generally in bound reports which are meant for wide circulation. It is a sort of window display that increases the curiosity of the reader.
- 3. The Title page:** The title page is usually the right hand side of the report. It contain sub-title, Name of the author, and Name of the authority for whom the report was written.
- 4. Copyright Notice:** If the report is published, copyright notice is given on the inside of the title page.
- 5. Forwarding letter:** There are two type of forwarding letters 1. Covering and 2. Introductory. The first type is simply a record of transmission of the report. Whereas the introductory letter performs almost the same function which a preface or an introduction does for a book and its characteristics are those of a good business letter.
- 6. Preface:** The preface introduces the report and offers it to the reader. It contains almost all the information which are given in the introductory type of letter of transmittal.
- 7. Acknowledgement:** The name of persons and organisations that have helped the writer in the production of the report must be mentioned.

- 8. Table of contents:** If the report is long, the table of contents is very important. Its function is to give the reader an overall view of the report and help him to locate a particular topic or sub topic easily.
- 9. List of illustrations:** A separate list of illustrations is given immediately after the table of contents. If the number of illustrations is very large, it can be divided into two parts namely 1. List of figures and 2. List of tables.
- 10. Abstract and summary :** Lengthy reports generally contain a synopsis which is sometimes called an abstract, sometimes a summary. An abstract tells in concentrated form what the report is about, whereas a summary gives the substances of the report.

THE MAIN BODY

It contains four elements. They are the following:

- 1. Introduction:** An introduction provides a starting point to the reader who is not familiar with the subject of the report. The items of information that may be included in it are the following:
 1. Historical and technical background
 2. Scope of study, specifying its limitations and qualifications.
 3. Methods of collecting data and their sources
 4. Authorisation for the report.
 5. Definitions of special terms and symbols, if their number is small.
- 2. Discussion or Description:** This section discusses or describes the main business part of the report. It naturally fills most part of the report and contains almost all illustrations. It has several sections grouped under different headings and sub headings.
Conclusions: The term conclusion is generally used to describe the remarks at the end of a piece of writing/ The function of such conclusion is to bring the discussion to a close. As an element of the report, the term refers to the basis of logical inferences drawn and the judgements formed on the basis of analysis of data presented in the report or the findings of the investigations made.
- 3. Recommendations:** The function of recommendations is to suggest the future course of action. The writer should make recommendations only when he has been asked to do so.

THE BACK MATTER

The back matter contains five elements. They are:

1. **Appendices:** The appendices contain materials which are needed to support the main body of the report but it too detailed to be included in the text. All appendices should be referred to in the text and their significance or meaning pointed out.

List of References: It is not only customary but also essential to give credit to the words which the writer has used or quoted in his report. This is done by citing such words in the text and listing them in alphabetical order at the end of the report.

2. **Bibliography:** A bibliography is a serially numbered list of published and unpublished works which are consulted before or during the preparation of a report.

Glossary: A glossary is a list of technical words used in the report and their explanations.

3. **Index:** The index is intended to serve as a quick guide to the materials in the report. It enables the reader to locate easily any topic, sub topic or the important aspects of the contents. An index is particularly very important in bulky reports. Entries in the index are made in alphabetical order and cross-reference.

ORDER OF WRITING THE CONTENTS

The order in which the various elements of a report is written is different. For example, the first element i.e., the cover is written up last. There is, however, no hard and fast rule regarding the order of writing. But generally the main body is written first in the order and the back matter is written next and finally the front matter.

ORGANISATION OF REPORTS

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

- Simple Letter form
- Simple Memorandum form
- Letter-text Combination form

1. Simple letter form: When the report is on a simple subject and requires one or two pages, it is usually presented in the form of a letter. Such reports have all mechanics of a letter. Such reports have all mechanics of a business letter such as date, inside address, salutation, the body, the complementary close and the signature. It is written in the first person or We

The body of the letter report shall have the following parts:

- Introduction
- Findings
- Recommendations

2. Simple memorandum form: Memorandum reports do not adopt the mechanics of a letter. It is a simpler way of presenting the report. It just mentions the title of the report, name of the author, the date and then the text under different headings and sub headings, the subject is discussed and the conclusion are presented.

3. Letter-Text Combination form: Generally, long reports are prepared in this fashion. The essential elements or contents of this type of report were discussed already under the heading “Order of Contents”.

REPORT BY INDIVIDUALS

The chief executives, Managers, Secretaries, Accountants, Auditors, and experts in certain fields are frequently called upon to report on certain important issues. Such reports can be classified as follows:

1. Analytical report by Managerial Personnel etc
2. Analytical report by the Company Secretary.
3. Analytical report by Expert
4. Informational report by individuals

SPECIMEN REPORTS

REPORT BY MANAGERIAL PERSONNEL

Report submitted by the manager of a Plastic manufacturing company to the Directors, informing them about the damage done by a fire:

SIRANJHEEVI TRADING COMPANY LIMITED

12, North Veli Street,
Madurai-625 001.

The Directors,
Siranjheevi trading company limited,
12, North veli street,
Madurai-625 001.

Report on the Damage done by a Fire

Dear Sir,

I have the unpleasant duty to inform you about the details of the damage caused to life and property during an accidental fire that broke out in our factory at 2.35a.m. last night.

The fire was first noticed by a passer by around 2.30p.m. in the form of little smoke and a small flame in the east wing of the factory. He pointed out this to the night watchman on duty who gave the fire alarm. In spite of the prompt action of the staff on duty, the highly inflammable material in the godown and the strong winds combined to destroy the east wing completely and to damage the north wing seriously. The fire brigade arrived after half an hour. Before their arrival, our staff on duty tried to control the fire by using the fire fighting equipment available to them. The west wing was saved from damage because of measures taken by the staff.

As a result of the fire, the production plant has put out of order and technical experts have voiced the opinion that it is beyond repair. Three of our workmen were injured by the dais falling on them, and they have been hospitalized at our cost. Five of the labourers haling electrical gadgets at the time are reported to be dead. The stock of finished products stored in the south wing has remained intact because it was out of the reach of the flames.

The workers who were injured or killed were insured and claims have been filed on behalf of the members of their families, Rs.5000 for the families of the dead persons has been announced by us.

Insurance claims have been filed today for the policies on the plant and building. The factory has been closed for a week. The cause of the fire has been established as a spark generated by a short circuit in one of the equipment used in the plant.

The total damage to the property is estimated at Rs.1,50,000.

Yours faithfully,

M.Mani,

Manager,

Madurai

15th October 2013.

