

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI 600 086**  
**(For candidates admitted from the academic year 2011–12 & thereafter)**

**SUBJECT CODE: 11EL/FC/BS23**

**B. A. / B.Sc. DEGREE EXAMINATION, APRIL 2015**  
**SECOND SEMESTER**

**COURSE : FOUNDATION ENGLISH**  
**PAPER : BUSINESS ENGLISH FOR SECRETARIAL PRACTICE**  
**TIME : 3 HOURS** **MAX. MARKS: 100**

**I. Explain the following news headlines: (5x2=10)**

- a. Sensex rises 211 pts to close at 1 month high
- b. DTDC sets up JV in China with AirDragon Freight.
- c. NIFTY returns beat sensex by 2.1%.
- d. Toyota acceleration litigation settlement: \$1.1 billion
- e. Re. likely to trade at 53 US dollar by June 2015

**II . Read the following news article and answer the questions that follow: (15 marks)**

The Nifty and the Sensex gained in excess of 0.75 per cent on New Year's Day led by bullishness in and banking stocks.

A deal to delay implementation of the fiscal cliff in the US also added to the sentiment.

The Nifty closed at 5951 up 46 points while the Sensex closed at 19581 up 154 points.

“While the fiscal cliff has been likely averted, the deal has only postponed the spending cuts by two months, while implementing higher taxes on incomes of individuals earning above a threshold. Further negotiations will be needed to resolve the spending cut issues and even the existing agreement has to be passed by the House of Representatives, which will likely happen,” said Dipen Shah, Head –PCG Research Kotak Securities. “The markets overlooked the worse-than-expected domestic data on current account deficit, core sector growth and fiscal deficit. With stability possibly returning in the developed markets, focus will now shift to corporate results and also to the domestic reforms initiatives which, we believe, should be taken up and implemented, for the markets to move up in a sustained manner,” he added.

An Edelweiss Financial Services report expects current account deficit(CAD) for FY13 at \$74 billion (4 per cent of GDP). In the coming quarter (Q3), CAD is expected to remain elevated as export slowdown continued and gold imports picked up.

However, we do foresee improvement in Q4 as improving external demand helps exports and as gold imports normalize after seasonal uptick, said the report while revising its earlier CAD estimate of \$ 65bn (-3.3% of GDP).

Volatility was down 8.43 per cent and the volatility index India Vix closed at 13.69.

1. What is bullishness? How does it affect the market? (3)
2. Briefly describe the fiscal cliff in the US. (3)

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| 3. What is fiscal deficit?                                             | (1) |
| 4. Explain CAD.                                                        | (2) |
| 5. What is volatility? What does it indicate about a security's value? | (2) |
| 6. Summarize the article in your own words.                            | (4) |

**III. Write appropriate letters following the notes given. The first letter is to be dated today's date. 3x10= 30 marks**

a. The Chief Procurement Officer of Gogo Upholstery, 25, Nungambakkam High Road, Chennai has received quotations from Erode Cotton Mills Pvt. Ltd for high quality 1000 pieces of bedsheets and 1500 pieces bedspreads for export. Write a letter to Erode Cotton Mills Pvt. Ltd., 12, Andavar Street, Erode, placing an order with them for Gogo Upholstery's requirement, insisting on a reduction in price by 15% since equally good quality bedsheets and bedspreads of other companies is available in the market at more favourable prices.

b. Erode Cotton Mills Ltd write to Gogo Upholsteries asking payment for the goods they had supplied in January this year. This is their third reminder.

c. The Chief Procurement Officer of Gogo Upholsteries answers the previous letter stating that payment has been delayed due to the workers' strike and that the finance department would make the necessary payment in a week; the letter also restates the request for a 15% reduction.

**IV. Draft an office memo to a Grade A officer of your company denying sanction of long leave to go on a family tour abroad. 5 marks**

**V. Prepare an office circular informing the employees of your office that the first Saturday of all months will henceforth be a working day and that Sales Meetings will be held for all sales teams on that day to review their performance during the previous month and plan for the next month. 5 marks**

**VI. Draft an agenda for a meeting of the Managing Directors of your company to discuss procedures to combat high attrition rates (number of people resigning) in the company. 5 marks**

**VII. Prepare what could have been the minutes of the above meeting. 10 marks**

**VIII. The Managing Director of your company will be going to Hyderabad to participate in the two day national conference of All India Sales Heads. She will also be speaking at the inaugural there. The conference is on 5 and 6 May 2015. She will be returning to Chennai at night on 6 May. Prepare an itinerary for her tour. 10 marks**

**IX Summarise the following correspondence:**

**10 marks**

**Letter No.1**

5 January 2015

The Head, Credit Department  
Celebration Designerware  
36, M G Road  
Ahmedabad

Dear Sirs

We enclose a statement of accounts up to 31<sup>st</sup> July 2014. You will note that a sum of Rs. 7 lakhs is due from you for our logistics, frieight forwarding and warehousing services in October-November 2014. We would highly appreciate an early settlement.

Yours faithfully  
R Balendran  
Credit Controller  
Avia Logistics Pvt. Ltd.  
#3, Guindy Industrial Estate  
Chennai

Encl. Statement of accounts

**Letter No.2**

18 January 2015

The Head, Credit Department  
Celebration Designerware  
36, M G Road  
Ahmedabad

Dear Sirs

We sent you a statement of your account up to July 2014 on 5 September 2014. Since we have not heard from you in this connection, we conclude that our letter never reached you. A duplicate statement is enclosed. We would request you to give to it your earliest attention.

Yours faithfully  
R Balendran  
Credit Controller  
Avia Logistics Pvt. Ltd.  
#3, Guindy Industrial Estate  
Chennai

Encl. Duplicate statement of accounts

**Letter No.3**

5 February 2015

The Head, Credit Department  
Celebration Designerware  
36, M G Road  
Ahmedabad

Dear Sirs

We wrote to you on 5<sup>th</sup> and 18<sup>th</sup> January, 2015 on the subject of your outstanding balance of Rs.7 lakhs. Since both our letters have gone unheeded, we can only assume that you are not prepared to make a settlement.

Since you have considerably exceeded the term of credit usually allowed, we insist that you settle your account by 15<sup>th</sup> February.

Yours faithfully

R Balendran  
Credit Controller  
Avia Logistics Pvt. Ltd.  
#3, Guindy Industrial Estate  
Chennai

**Letter No.4**

18 February 2015

The Head, Credit Department  
Celebration Designerware  
36, M G Road  
Ahmedabad

Dear Sirs

We regret that you have cared neither to acknowledge our three letters dated 5<sup>th</sup> January, 18<sup>th</sup> January and 5<sup>th</sup> February 2015, nor to settle the amount of Rs.7 Lakhs.

We are left with no alternative but to initiate legal proceedings against you.

R Balendran  
Credit Controller  
Avia Logistics Pvt. Ltd.  
#3, Guindy Industrial Estate  
Chennai

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