

Secretarial Practice

UNIT - 1

A secretary is a person who helps keep an office organized and supports the boss or team by handling daily tasks like writing letters, answering calls, and arranging meetings. Their role is important because they make sure work runs smoothly and efficiently.

Definition of a Secretary

- A secretary is someone employed to assist in an office by managing paperwork, communication, and schedules.
- keep documents, files, and information safe and easy to find.
- A secretary is often seen as a reliable person who supports busy individuals or organizations.

Role of a Secretary

1. **Managing communication:** Answer phone calls, reply to emails, and write letters.
2. **Scheduling meetings:** Plan and organize appointments, conferences, and events.
3. **Maintaining records:** Keep files, reports, and important documents in order.
4. **Supporting the boss:** Help managers or executives with their daily tasks.
5. **Office coordination:** Ensure smooth functioning of the office by coordinating between departments.
6. **Handling visitors:** Welcome guests and guide them properly.
7. **Website or digital tasks:** Sometimes manage office websites or digital communication.

Qualifications of a Secretary

1. **Educational background:** Most organizations prefer at least a Bachelor's degree in Arts, Commerce, or Law, or a diploma in office management/secretarial practice.
2. **Typing and computer skills:** Ability to use MS Office, email systems, and office software efficiently.
3. **Language proficiency:** Good command of English and/or local languages for writing letters and handling communication.
4. **Knowledge of office procedures:** Understanding filing systems, record keeping, and scheduling.
5. **Business awareness:** Basic knowledge of company policies, legal matters, and organizational structure.

Qualities of a Good Secretary

- **Organized:** Keeps files, schedules, and tasks in order.
- **Trustworthy:** Handles confidential information with honesty and discretion.
- **Good communicator:** Clear in speaking and writing, polite with clients and colleagues.
- **Adaptable:** Can adjust to new tasks, technology, and changing priorities.
- **Patient and calm:** Deals with pressure and multiple tasks without stress.
- **Professional appearance:** Maintains a neat, respectful, and businesslike image.
- **Problem-solver:** Finds solutions quickly when issues arise in office work.

Types of Secretaries – Meaning & Duties

1. **Private Secretary**

1. **Meaning:** A personal assistant to an individual such as a manager, executive, or minister.

2. **Duties:**

1. Handle correspondence (letters, emails, phone calls).

2. Arrange meetings, appointments, and travel plans.
3. Maintain confidential records and files.
4. Act as a trusted aide, ensuring smooth daily work for the employer.

2. Secretary of an Association or Club

1. **Meaning:** The person responsible for managing the administrative work of a club, society, or association.
2. **Duties:**
 1. Organize meetings, prepare agendas, and record minutes.
 2. Maintain membership records and collect fees.
 3. Communicate with members about events and decisions.
 4. Ensure smooth functioning of the club's activities.

3. Secretary of a Co-operative Society

1. **Meaning:** An officer who manages the affairs of a co-operative society formed by members for mutual benefit.
2. **Duties:**
 1. Keep records of members, accounts, and transactions.
 2. Prepare reports and statements for government authorities.
 3. Call meetings of members and maintain minutes.
 4. Act as a link between the society and external agencies.
 5. Ensure compliance with co-operative laws and regulations.

4. Secretary of a Government Department

1. **Meaning:** A senior civil servant who heads a ministry or department in the government.
2. **Duties:**
 1. Advise the minister on policies and administration.
 2. Supervise staff and ensure implementation of government decisions.
 3. Draft reports, circulars, and official documents.
 4. Coordinate between different departments and agencies.
 5. Represent the department in official meetings.

5. Parliamentary Secretary

1. **Meaning:** A member of parliament appointed to assist a minister in parliamentary duties.
2. **Duties:**
 1. Help ministers in answering questions in parliament.
 2. Prepare notes, reports, and legislative documents.
 3. Act as a bridge between the minister and parliament members.
 4. Support in managing parliamentary debates and discussions.
 5. Assist in drafting bills and legislative proposals.

UNIT – II MEETINGS

Meeting is a formal gathering of members of an organization, company, or society to discuss and decide important matters. It provides a platform for communication, decision-making, and planning.

Types of Meetings

1. Statutory Meeting

- **Meaning:** The very first meeting of shareholders of a public company, held once after the company is incorporated.
- Must be held within 6 months of starting business.
 - Purpose: Inform shareholders about company formation, share allotment, contracts, and financial position.
 - A Statutory Report is presented, containing details of shares, cash received, and directors.
 - Gives shareholders a chance to ask questions and clarify doubts.
 - It is compulsory by law for public companies.

2. Annual General Meeting

- **Meaning:** A meeting held once every year where all shareholders gather to review the company's performance.
 - Mandatory for public companies; private companies are usually exempt.
 - Discusses **annual accounts, dividends, appointment of directors and auditors.**
 - Provides transparency between management and shareholders.
 - Shareholders can question directors and suggest improvements.
 - Ensures accountability of the company's leadership.

3. Extra-Ordinary General Meeting

- **Meaning:** A special meeting of shareholders held between two AGMs to discuss urgent or special matters.
- Called when immediate decisions are required (e.g., mergers, amendments in Articles of Association).
 - Can be called by directors, shareholders, or tribunal.
 - Deals only with specific urgent issues, not routine matters.
 - Provides flexibility to handle unexpected situations.
 - Ensures shareholders' approval for critical decisions.

Notice

A Notice is a formal written communication sent to members of a company, society, or association informing them about the date, time, place, and purpose of a meeting. It is a legal requirement under the Companies Act for certain meetings (like AGM, EGM, Statutory Meeting). Without a proper notice, the meeting is considered invalid.

Features of Notice

- **Written form:** Must be in writing, not oral.
- **Clear and specific:** Contains all essential details (date, time, place, agenda).
- **Proper authority:** Issued by the secretary or authorized officer.
- **Prescribed time:** Sent within the statutory period (e.g., 21 clear days before AGM).
- **Uniformity:** Sent to all eligible members.
- **Legal compliance:** Must follow provisions of the Companies Act and Articles of Association.

Contents of Notice

1. Name of the company.
2. Type of meeting (AGM, EGM, Statutory Meeting).
3. Date, time, and place of the meeting.

4. Agenda (list of items to be discussed).
5. Signature of the secretary/authorized officer.
6. Date of issue of notice.

Notice

ABC Limited Registered Office: Ambala, Haryana

NOTICE

Notice is hereby given that the Annual General Meeting (AGM) of the members of ABC Limited will be held on Monday, 10th February 2026 at 11:00 a.m. at the Registered Office of the Company to transact the following business:

Agenda

An Agenda is the list of items or subjects to be discussed at a meeting, arranged in order of importance. It acts as a guide for the chairman and members, ensuring systematic discussion. Prepared by the secretary in consultation with the chairman.

Contents of Agenda

1. Confirmation of minutes of the previous meeting.
2. Consideration of accounts, balance sheet, and reports.
3. Declaration of dividend.
4. Appointment or re-appointment of directors.

ABC Limited Registered Office: Ambala, Haryana

AGENDA for the Annual General Meeting to be held on 10th February 2026 at 11:00 a.m. at the Registered Office.

1. To confirm the minutes of the last Annual General Meeting.
2. To receive and adopt the audited Balance Sheet and Profit & Loss Account for the year ending 31st March 2025 together with the Directors' and Auditors' Reports.
3. To declare dividend for the financial year 2024-25.
4. To appoint directors in place of those retiring by rotation.
5. To appoint auditors and fix their remuneration.
6. Any other matter with the permission of the Chair.

Proxy

A Proxy is a person authorized by a shareholder to attend and vote at a company meeting on their behalf.

Features of Proxy

- **Representation:** Proxy represents an absent shareholder.
- **Not compulsory:** Shareholders may attend personally or appoint a proxy.
- **Eligibility:** Proxy need not be a member of the company.

- **Written authority:** Must be in writing, signed, and deposited with the company (usually 48 hours before the meeting).
- **Voting rights:** Proxy can vote only on a poll, not by show of hands (unless Articles of Association allow).
- **Flexibility:** A shareholder can appoint one proxy for each meeting.

Duties / Role of Proxy

1. Attend the meeting on behalf of the shareholder.
2. Vote according to the instructions given in the proxy form.
3. Represent the shareholder's interests in discussions.
4. Ensure the shareholder's voice is counted even in their absence.

Proxy

ABC Limited Registered Office: Ambala, Haryana

Proxy Form

I/We, _____ (name of shareholder), being a member(s) of **ABC Limited**, hereby appoint _____ (name of proxy) of _____ (address) as my/our proxy to attend and vote for me/us on my/our behalf at the **Annual General Meeting** of the Company to be held on **10th February 2026 at 11:00 a.m.** and at any adjournment thereof.

Signed this _____ day of _____ 2026.

Signature of Shareholder: _____ Folio/DP ID No.: _____

Quorum

- Quorum means the minimum number of members required to be present at a meeting before it can legally begin and conduct business.
- It ensures that decisions are taken with adequate representation and not by just a few individuals.
- Without quorum, the meeting is considered invalid and must be adjourned.

Features of Quorum

- **Legal requirement:** Specified under the Companies Act and Articles of Association.
- **Ensures fairness:** Prevents domination by a small group of members.
- **Checked at start:** Secretary verifies quorum before the chairman begins proceedings.
- **Adjournment rule:** If quorum is not present within 30 minutes, the meeting is adjourned.
- **Varies by meeting type:**
- **Board Meeting:** Quorum is 1/3rd of total directors or 2 directors, whichever is higher
- **General Meeting:** Quorum depends on number of members in the company (e.g., 2 for small companies, 5 for larger).

Importance of Quorum

1. Ensures validity of meetings.
2. Provides representation of members in decision-making.

3. Maintains legality and fairness.
4. Protects against misuse of power by a few individuals.
5. Builds confidence among shareholders that decisions are democratic.

Minutes

Minutes are the official written record of the proceedings and decisions taken at a meeting. They serve as legal evidence of what was discussed and resolved. Prepared by the company secretary and signed by the chairman.

Features of Minutes

1. **Accuracy:** Must be precise, factual, and impartial.
2. **Conciseness:** Written briefly but clearly, avoiding unnecessary details.
3. **Chronological order:** Records items in the order they were discussed.
4. **Legal requirement:** Companies Act mandates minutes for certain meetings.
5. **Authenticity:** Signed by the chairman and kept in a bound minute book.
6. **Confidentiality:** Sensitive matters are recorded carefully and securely.

Contents of Minutes

1. **Basic details:** Date, time, and place of meeting.
2. **Attendance:** Names of chairman, directors, and members present.
3. **Agenda items:** Each subject discussed, in sequence.
4. **Resolutions:** Exact wording of decisions passed.
5. **Voting details:** If voting occurred, record of results.
6. **Closing:** Time of adjournment and signature of chairman.

Secretarial duties regarding meeting before the meeting

Before-Meeting Secretarial Duties

1. **Scheduling:** Confirm the date, time, and venue (physical or virtual) with all participants. Send calendar invites.
2. **Agenda preparation:** Draft the meeting agenda in consultation with the chairperson or manager. Ensure it's circulated in advance.
3. **Document distribution:** Share relevant reports, minutes from the previous meeting, or background materials so attendees can prepare.
4. **Logistics arrangement:** Book the meeting room, arrange seating, check audio-visual equipment, and ensure refreshments if needed.
5. **Attendance confirmation:** Track RSVPs, confirm who will attend, and note any absences or substitutes.
6. **Briefing the chairperson:** Provide the chair with the agenda, participant list, and any key issues that may arise.
7. **Compliance checks:** Ensure the meeting follows organizational rules, bylaws, or legal requirements (especially for board meetings).
8. **Note-taking preparation:** Set up templates or outlines for minutes, and prepare stationery or digital tools for recording.

Secretarial Duties During the Meeting

1. **Attendance recording:** Note who is present, absent, or attending as a substitute. This is crucial for quorum and record-keeping.
2. **Minute-taking:** Accurately document key points, decisions made, action items, motions proposed, and votes taken.

3. **Supporting the chairperson:** Assist with timekeeping, managing the agenda, and ensuring the meeting stays on track.
4. **Clarifying and confirming:** Ask for clarification when needed to ensure accurate minutes, especially for decisions or action items.
5. **Managing documents:** Distribute any handouts or reference materials during the meeting, if not already shared.
6. **Handling logistics:** Address any technical issues (e.g., projector, video conferencing), room needs, or disruptions.
7. **Monitoring participation:** Note who contributes to discussions, especially if required for formal records or follow-up.
8. **Recording action items:** Clearly capture what needs to be done, by whom, and by when — this is vital for accountability.
9. **Maintaining neutrality:** Stay impartial and professional, especially when documenting debates or disagreements.

Secretarial Duties After the Meeting

1. **Finalize the minutes:**
 1. Review your notes and draft accurate, concise minutes.
 2. Include key decisions, action items, deadlines, and responsible persons.
 3. Ensure clarity and neutrality in tone.
2. **Distribute the minutes:**
 1. Share the approved minutes with all attendees and relevant stakeholders.
 2. Use email, shared drives, or internal platforms depending on your organization's protocol.
3. **Follow up on action items:**
 1. Send reminders to individuals assigned tasks.
 2. Track progress and update the chairperson or team as needed.
4. **File and archive documents:**
 1. Store the minutes and any supporting documents in the appropriate folders (digital or physical).
 2. Ensure they are accessible for future reference and audits.
5. **Update records:**
 1. Revise registers, logs, or project trackers based on meeting outcomes.
 2. Note any changes in policies, procedures, or team responsibilities.
6. **Prepare for the next meeting:**
 1. Note any carry-forward items or unresolved issues.
 2. Start a draft agenda or action log for the upcoming session.

UNIT –III

Front office Management and Travel Arrangements

Attributes of front office Personnel in secretarial practice:-

Front office personnel in secretarial practice must combine professionalism, interpersonal skills, and personal discipline. Their key attributes include strong communication, customer service orientation, personal grooming, honesty, punctuality, and the ability to remain calm under pressure. These qualities ensure they represent the organization effectively and handle clients with courtesy and efficiency.

1. **Communication skills:** Clear verbal and written communication, active listening, and professional tone.

2. Customer service orientation: Attentive, empathetic, patient, and solution-focused when dealing with clients.
3. Pleasant personality: Friendly demeanor, approachable attitude, and a welcoming smile.
4. Personal hygiene and grooming: Clean, neat appearance, proper dress code, and attention to grooming standards.
5. Physical fitness: Ability to stand for long hours and maintain energy throughout the day.
6. Honesty and integrity: Trustworthiness in handling confidential information and financial transactions.
7. Salesmanship and persuasion: Ability to promote services or products tactfully when required.
8. Diplomacy and tact: Handling difficult situations or complaints with calmness and fairness.
9. Good memory: Remembering client names, preferences, and organizational details to personalize service.
10. Courtesy and etiquette: Polite manners, respect for cultural differences, and professional behavior.
11. Loyalty and punctuality: Commitment to organizational values and consistent timeliness.
12. Calmness under pressure: Ability to manage stress and multitask without losing composure.

Business travel as Modes of transport and travel agencies,

Business travel in secretarial practice means official travel arranged for business work, where the secretary helps in organizing transport, tickets, stay, and documents so that the executive can focus on business activities.

Business travel means going from one place to another for official or office work.

1. It is not for personal enjoyment but for business purposes like meetings, conferences, training, or visiting clients.
2. In secretarial practice, business travel is important because secretaries often help in planning and arranging travel for managers or executives.
3. It includes choosing the mode of transport (road, rail, air, water) depending on distance, cost, and urgency.
4. It also involves booking tickets, arranging accommodation, preparing itineraries, and handling travel documents.
5. Business travel ensures that work outside the office is done smoothly and on time.
6. Travel agencies and online booking systems make business travel easier and faster.

Modes of Transport in Business Travel

1. **Road transport:** Cars, buses, taxis – good for short distances.
2. **Rail transport:** Trains – cheaper, useful for long distances inside the country.
3. **Air transport:** Aeroplanes – fastest, saves time, best for urgent meetings.
4. **Water transport:** Ships, ferries – used for international or coastal travel.

Role of Travel Agencies

1. Travel agencies help in booking tickets (train, air, bus).
2. They arrange hotel accommodation for business people.
3. They prepare travel itineraries (plans of travel).
4. They give advice about documents and rules for travel.
5. They save time and make travel easy and comfortable.

Air Travel – Ticket Reservations and Booking Accommodation

1. Air travel is the fastest mode for long distances.
2. Tickets can be booked through airlines or travel agencies.
3. Reservation means booking a seat in advance.
4. Business class and economy class are available.
5. Accommodation means arranging hotel rooms for stay.
6. Travel agencies or online apps help in booking hotels.
7. Advance booking avoids last-minute problems.
8. Airlines also provide package deals with hotels.
9. Proper booking ensures comfort during business trips.
10. Air travel saves time and gives prestige to business people.

Train Travel – Ticket Reservations and Booking Accommodation

1. Train travel is cheaper than air travel.
2. Reservation means booking a seat or berth before travel.
3. Tickets can be booked at railway counters or online.
4. Different classes: Sleeper, AC, Chair Car, etc.
5. Accommodation (hotel stay) can also be arranged near railway stations.
6. Travel agencies help in booking both train tickets and hotels.
7. Reservation avoids overcrowding and ensures a confirmed seat.
8. Railways also provide tourist packages with hotels.
9. Train travel is comfortable for medium and long distances.
10. It is widely used for business travel in India.

Online Railway/Airline Booking

1. Online booking means using the internet to book tickets.
2. Railway tickets can be booked through IRCTC website/app.
3. Airline tickets can be booked through airline websites or apps.
4. Payment is made by debit card, credit card, or UPI.
5. E-ticket is received on mobile or email.
6. No need to stand in long queues.
7. Easy cancellation and refund options.
8. Online booking is available 24/7.
9. It saves time and is convenient for business people.
10. Online booking is the modern way of travel reservation.

Preparing Travel Itinerary

1. Itinerary means a detailed plan of travel.
2. It shows dates, times, and places of visit.
3. Includes transport details (train/flight numbers).
4. Includes hotel booking details.
5. Shows meeting schedules and appointments.
6. Helps in managing time properly.
7. Avoids confusion during travel.
8. Travel agencies prepare itineraries for clients.
9. Business people use itineraries for smooth travel.
10. It is an important document in secretarial practice.

Documents Required for International Travel

1. Passport: Official document for identification.
2. Visa: Permission to enter another country.
3. Air ticket: Proof of travel booking.
4. Travel itinerary: Plan of travel.

5. Hotel booking confirmation.
6. Identity proof (like Aadhaar, PAN in India).
7. Foreign exchange receipts (currency for expenses).
8. Business invitation letter (if attending meetings).
9. Insurance papers (health/travel insurance).
10. Vaccination certificates (if required by country).

UNIT IV

Leave Rules and Fringe Benefits

Leaves means permission given to an employee to stay away from work for a certain period. It is granted by the employer according to company rules and government laws. Leaves are important for employees to take rest, attend personal matters, or recover from illness. In Secretarial Practice, the secretary maintains leave records, prepares leave applications, and ensures rules are followed.

Leaves and Leave Rules in Secretarial Practice

1. Casual Leave

1. Short leave taken for personal reasons (like urgent work at home).
2. Usually allowed for 10–12 days in a year.
3. Cannot be combined with long holidays.
4. Example: A secretary takes 2 days casual leave to attend a family function.

2. Earned Leave (Privilege Leave)

1. Leave earned by working for a certain period.
2. Usually 20–30 days per year, depending on company rules.
3. Can be carried forward to next year if not used.
4. Example: A secretary takes 10 days earned leave for a vacation trip.

3. Maternity Leave

1. Leave given to female employees during pregnancy and childbirth.
2. Generally 26 weeks (about 6 months) in India.
3. Salary is paid during maternity leave.
4. Example: A female secretary takes maternity leave when she is expecting a baby.

4. Paternity Leave

1. Leave given to male employees when their wife gives birth.
2. Usually 7–15 days depending on company policy.
3. Helps fathers support family during childbirth.
4. Example: A male secretary takes paternity leave to care for his newborn baby.

5. Medical Leave (Sick Leave)

1. Leave taken when an employee is ill or injured.
2. Usually 10–12 days per year.
3. Medical certificate may be required for longer leave.

4. Example: A secretary takes 5 days medical leave due to fever and doctor's advice.

Fringe Benefits

Fringe benefits are extra facilities or advantages given to employees in addition to their salary or wages. They improve the welfare, motivation, and loyalty of employees. These benefits are usually provided by the employer as per company policy or government rules. In **Secretarial Practice**, the secretary keeps records of such benefits and ensures employees get them properly.

Types of Fringe Benefits

1. Subsidised Canteen Facility

1. Employers provide food at low cost inside the office premises.
2. Helps employees save money and time.
3. Ensures hygienic and healthy meals.
4. Example: A company secretary arranges subsidised lunch for staff at ₹20 per meal instead of ₹100 outside.

2. Accommodation Facility

1. Employers provide housing or quarters at low rent or free of cost.
2. Helps employees live near the workplace.
3. Reduces travel time and increases efficiency.
4. Example: A secretary maintains records of company flats given to employees at subsidised rent.

3. Travel and Transport Facility

1. Employers provide free or subsidised transport for employees.
2. Includes buses, cars, or travel allowance.
3. Saves time and reduces travel stress.
4. Example: A secretary arranges office bus service for employees living far away.

Medical Health Care Benefits under ESI

1. **Free medical treatment:** Employees and their family members get free treatment in ESI hospitals/dispensaries.
2. **Sickness benefit:** Cash payment is given to employees during certified sickness (usually 70% of wages).
3. **Maternity benefit:** Female employees get paid leave during pregnancy and childbirth.
4. **Disablement benefit:** Compensation is given if an employee suffers injury at work.
5. **Dependents' benefit:** Family members receive pension if the employee dies due to employment injury.
6. **Funeral expenses:** A fixed amount is given to the family for funeral costs.
7. **Preventive health care:** Regular check-ups and awareness programs are arranged.

Example

- A secretary working in a company falls ill and cannot attend office for 10 days.
- She visits the ESI hospital, gets free treatment, and receives sickness benefit (cash allowance).
- The HR secretary records her medical leave and ensures her claim is processed under ESI rules.

- Employers provide medical facilities like free check-ups, medicines, or hospital treatment.
- **ESI (Employees' State Insurance)** scheme in India gives medical care, sickness benefits, and maternity benefits to employees.
- Helps employees and their families during illness.
- Example: A secretary helps employees register under ESI and maintain medical claim records

UNIT V

Innovative Postal and Banking Practices

Registered Post

1. A service where letters/parcels are registered at the post office.
2. Provides **proof of posting** and **proof of delivery** (receiver signs on delivery).
3. Safer than ordinary post, used for important documents.
4. Example: A secretary sends a company's legal notice through registered post to ensure it reaches the client safely.

Speed Post

1. A **fast postal service** introduced by India Post.
2. Delivers letters and parcels quickly across India and abroad.
3. Provides **tracking facility** and guaranteed delivery time.
4. Cheaper compared to private courier services.
5. Example: A secretary sends urgent business contracts to Delhi using speed post and tracks delivery online.

Courier Services

1. Provided by private companies like DTDC, Blue Dart, FedEx.
2. Offers door to- door delivery and faster service than ordinary post.
3. Provides online tracking and insurance for valuable parcels.
4. Charges are higher than postal services.
5. Example: A secretary uses courier service to send confidential reports to a client in Mumbai.

Instant Money Order (IMO)

1. A service to send money quickly through post offices.
2. Receiver can collect money instantly at the nearest post office.
3. Safe and convenient for people without bank accounts.
4. Example: A secretary sends ₹5,000 to a branch office staff through IMO for urgent office expenses.

E-Post

1. An electronic postal service by India Post.
2. Messages are sent via email to the post office, then printed and delivered to the receiver.
3. Useful when the receiver does not have internet access.
4. Example: A secretary sends an urgent business message to a rural client through e-Post.

PIN (Postal Index Number)

1. A 6-digit code used in India to identify postal areas.
2. Helps in quick sorting and delivery of letters.
3. Example: Ambala Cantt has PIN code **133001**. A secretary writes the PIN on envelopes for faster delivery.

Post Box Number

1. A unique number assigned to a box at the post office.
2. Businesses or individuals can rent a post box to receive mail securely.
3. Mail is delivered directly to the box instead of home/office.
4. Example: A secretary collects company letters from Post Box No. 45 at Ambala Post Office.

Postal Franking Machine

A franking machine is a mechanical/electronic device used to print postage stamps directly on letters, parcels, or envelopes. It is an alternative to buying individual stamps from the post office. The machine is licensed and approved by the postal department. It helps businesses save time and maintain records of postal expenses.

Features of a Franking Machine

- Prints the exact value of postage required.
- Shows the date and place of posting.
- Can be adjusted for different weights and sizes of letters/parcels.
- Provides a professional look to business correspondence.
- Keeps a record of postage used for accounting purposes.

Advantages

- Saves time as employees don't need to stand in queues for stamps.
- Ensures accuracy in postage charges.
- Useful for companies with large volumes of mail.
- Provides security since only authorized persons can use it.
- Helps in cost control and budgeting of postal expenses.

Example

- A secretary in a company has to send 100 letters to clients.
- Instead of buying 100 stamps, the secretary uses the franking machine to print postage directly on envelopes.
- This saves time, ensures correct postage, and gives a neat professional appearance to the letters.

Postal Financial Services (Saving Schemes)

Postal financial services are money-related services offered by post offices in addition to mail services. They include saving schemes, insurance, and money transfer facilities. These schemes are safe, government-backed, and popular among people in both rural and urban areas. In Secretarial Practice, the secretary may guide employees or clients about these schemes for secure savings and investments.

Types of Postal Saving Schemes

1. Post Office Savings Account

1. Works like a bank savings account.
2. Minimum balance required is low.
3. Interest is paid on deposits.
4. Example: A secretary opens a savings account in the post office to deposit office petty cash.

2. Recurring Deposit Account (RD)

1. Fixed amount deposited every month for a fixed period (usually 5 years).
2. Interest is higher than a savings account.
3. Encourages regular saving habits.
4. Example: A secretary deposits ₹500 every month in RD for 5 years to save for future needs.

3. Fixed Deposit Account (FD)

1. Lump sum deposited for a fixed period (1–5 years).
2. Higher interest compared to savings account.
3. Safe investment option.
4. Example: A secretary invests ₹50,000 in a 3-year fixed deposit at the post office.

4. Monthly Income Scheme (MIS)

1. One-time deposit, and interest is paid monthly.
2. Useful for retired persons or those needing regular income.
3. Example: A secretary advises a retired employee to invest in MIS for monthly income.

5. Public Provident Fund (PPF)

1. Long-term savings scheme (15 years).
2. Tax benefits available.
3. Interest is compounded annually.
4. Example: A secretary invests in PPF to save for retirement with tax benefits.

6. National Savings Certificate (NSC)

1. Fixed deposit scheme with tax benefits.
2. Safe investment backed by government.
3. Example: A secretary buys NSC worth ₹10,000 to save tax and earn interest.

7. Kisan Vikas Patra (KVP)

1. Doubles the investment in a fixed period (around 10 years).
2. Available to all citizens.
3. Example: A secretary invests ₹20,000 in KVP for long-term savings.

8. Senior Citizens Savings Scheme (SCSS)

1. Special scheme for people above 60 years.
2. Higher interest rate compared to other schemes.
3. Example: A secretary helps a retired manager invest in SCSS for secure income.

e-Banking

1. Introduction

e-Banking means using electronic methods (computers, mobiles, ATMs, internet) to do banking transactions. It makes banking fast, safe, and convenient for customers and businesses.

Meaning and Features

1. **Meaning:** Banking services provided through electronic channels instead of visiting the bank physically.
2. **Features:**
 1. 24×7 availability.
 2. Easy transfer of money.
 3. Safe and secure transactions.
 4. Reduces paperwork.
 5. Accessible from anywhere.

Merits

1. Saves time and effort.
2. Convenient for customers.
3. Reduces crowd in banks.
4. Improves efficiency of banking.

Demerits

1. Risk of hacking and fraud.
2. Requires internet/mobile access.
3. Technical problems may delay transactions.
4. Not suitable for people unfamiliar with technology.

Credit and Debit Cards

Debit Card

A **debit card** is a plastic card issued by banks to customers. It is linked directly to the customer's **bank account**. When used, the money is **deducted immediately** from the account. It can be used for **cash withdrawal at ATMs**, shopping, bill payments, and online transactions. Example: A secretary pays hotel bills using a debit card, and the amount is instantly deducted from the company's account.

Merits of Debit Card

1. **Instant payment:** Money is deducted immediately, no credit burden.
2. **Convenient:** Easy to carry and use for shopping, travel, and online payments.
3. **ATM access:** Can withdraw cash anytime, 24×7.
4. **Safe:** No need to carry large amounts of cash.
5. **Widely accepted:** Used in shops, hotels, petrol pumps, and online platforms.
6. **Budget control:** Helps avoid overspending since only available balance can be used.

Demerits of Debit Card

1. **Requires balance:** Cannot be used if account has insufficient funds.

2. **Limited protection:** Fraud or theft may lead to direct loss of money.
3. **Charges:** Some banks charge for ATM withdrawals beyond free limits.
4. **No credit facility:** Unlike credit cards, cannot borrow money.
5. **Technical issues:** ATM machine failure or network problems may stop transactions.
6. **Risk of misuse:** If card/PIN is stolen, money can be withdrawn illegally.

Credit Card

- A **credit card** is a plastic card issued by banks or financial institutions.
- It allows the holder to **buy now and pay later** within a fixed credit limit.
- The bank pays the seller immediately, and the customer repays the bank later (usually monthly).
- Example: A secretary books air tickets using a credit card and pays the bill after 30 days.

Merits of Credit Card

1. **Convenient:** Easy to carry and use for shopping, travel, and online payments.
2. **Buy now, pay later:** Helps in urgent purchases even without cash.
3. **Widely accepted:** Used in shops, hotels, petrol pumps, and online platforms worldwide.
4. **Emergency use:** Useful when immediate funds are required.
5. **Rewards and offers:** Cashback, reward points, discounts, and travel benefits.
6. **Safe:** Reduces need to carry large amounts of cash.
7. **Builds credit history:** Regular use and timely payment improve credit score.

Demerits of Credit Card

1. **Overspending risk:** Easy to spend beyond one's means.
2. **High interest charges:** If bills are not paid on time, interest rates are very high.
3. **Annual fees:** Some cards have joining or yearly charges.
4. **Fraud risk:** Card theft or hacking can lead to misuse.
5. **Debt trap:** Late payments can lead to heavy penalties and debt burden.
6. **Limited free credit period:** Usually 30–45 days only.

ATM (Automated Teller Machine)

1. **Operation:** Insert card → Enter PIN → Select transaction (cash withdrawal, balance inquiry, etc.).
2. **Advantages:**
 1. Available 24×7.
 2. Quick cash withdrawal.
 3. Provides mini statements.
 4. Reduces crowd in banks.

Merits

1. Saves time, convenient for emergencies.
2. Accessible anywhere.

Demerits

1. Limited cash withdrawal per day.
2. ATM frauds (skimming, PIN theft).
3. Machine may be out of service.

Core Banking

- **Meaning:** Centralized banking system where all branches are connected through computers.
- Customers can operate their account from **any branch**.

Merits

1. Anywhere banking facility.
2. Faster transactions.
3. Better customer service.
4. Reduces duplication of records.

Demerits

1. High cost of technology setup.
2. Dependence on internet and servers.
3. Technical failure may stop services.

Net Banking

- Banking through the **internet** using bank's website.
- Services: Fund transfer, bill payment, ticket booking, balance inquiry.

Merits

1. Available 24×7.
2. Saves time and travel.
3. Easy to pay bills and transfer money.

Demerits

1. Risk of cyber fraud.
2. Requires computer/internet knowledge.
3. Not useful in areas with poor connectivity.

Mobile Banking

- Banking through **mobile apps or SMS services**.
- Services: Fund transfer, mobile recharge, balance inquiry, UPI payments.

Merits

1. Banking on the go.
2. Very convenient and fast.
3. Useful for small instant payments.

Demerits

1. Risk of mobile theft or hacking.
2. Requires smartphone and internet.
3. Technical errors may cause failed transactions.