

UNIT II

BUSINESS LETTERS- KINDS – LAYOUT AND PART – ENQUIRY AND REPLY – OFFERS & QUOTATIONS – ORDERS – EXECUTION AND CANCELLATIONS – COMPLAINT LETTERS – CLAIMS AND ADJUSTMENTS – COMMERCIAL TERMS AND ABBREVIATIONS

MEANING OF BUSINESS LETTER:

Business people have to communicate with the customers, the suppliers, the debtors, the creditors, the public authorities and the public at large as well as among themselves for the purpose of exchanging their views and of sending and receiving information. This is required to initiate, carry out and to conclude transactions.

Communication can be in two ways:

(1) Oral:

Either face to face or with the help of various machines and

(2) Written:

By writing letters. This written communication is otherwise called correspondence. The word correspondence has a sense of 'similarity' and 'association' in it. To correspond means to be in conformity or agreement with something or somebody.

Correspondence or written communication may take place between any two persons or parties. Commercial correspondence means correspondence by the business people on matters of commerce.

The word correspondence has a sense of plurality. It means letters or a pair of letters consisting of an original letter followed by a reply. 'A' letter has little value. The communication is complete when a letter is replied, or an action is taken in response to a letter.

IMPORTANCE OF BUSINESS LETTER:

Businessmen must establish contact with the people and then only they can develop their organisations. Importance of communication is very great in business life (Ref. 3.44). There was a time when the size of business was normally small and varied means of communication were not available, direct meetings or face-to-face communication was practiced by the businessmen. Later on, the policy of sending representatives for direct contacts was introduced. All these methods have their limitations.

The importance of business letters as the cheapest and most extensive form of communication was first realised in USA and UK and now this method has been accepted as the best method of communication all over the world. This has been possible with the introduction of ever-growing postal services. In the meantime, standardization of the form and the style of business letters have made them more popular and acceptable by all.

The commercial correspondence has a language of its own which is markedly different from personal letters. Day by day improvements are being made in the form and the style of business letters making them more impressive, meaningful and compact.

A large number of books on the subject are available in the market in the aid of the business world. Invention of different machines for the purpose makes business letters fast in production and in distribution.

It does not mean, however, that other means of communication have been abandoned.

ADVANTAGES OF BUSINESS LETTER:

Communication through letters occupies the largest share in the total volume of communication because of the following advantages:

- (1) Letters are less costly than other means of communication.
- (2) Letters can be sent to long distant places by post within a short time. Of course, letters may be sent by messengers within neighboring areas.
- (3) Letters are drafted after proper thinking and planning and so the subject matter can be presented in a systematic and logical way.
- (4) The ideas conveyed in letters are clear and free from ambiguity.

(5) The size of a letter may be big or small as required.

(6) Letters simultaneously provide evidence and exact copies can be retained.

(7) Same communication may-be made to a number of persons at a time, through duplicating or printing.

(8) Many unpleasant and delicate matters which cannot be spoken face to face or through mechanical devices can be written in letters in a discreet language.

(9) Letters are suitable for all types of communication.

(10) There is standardization in form and style readily acceptable by the business world. Even internationally accepted code language is used.

(1) Components:

A business letter has the following components like any other form of communication. —A writer or corres-pondent—He is the communicator. He has the primarily responsibility to make a letter purposeful and effective.

(a) He must know the form and the style of writing letters. Different types of letters have different styles. The secretary of an organisation, who is in charge of the office including the correspondence department, is supposed

to be well conversant with the art. There are experienced correspondence clerks whose services are utilized for the purpose.

(b) He must have a command over the language and English is the main language used in the commercial world. (The second internationally accepted language is French.)

(c) He must be conversant with the facts on which he is writing a letter otherwise he cannot faithfully express the facts and the viewpoints.

(d) He must also know the technical terms and phrases necessary to be used in particular types of letters. He can take the help of different types of dictionaries available in the market.

(e) He must make planning before he sets forth to write a letter.

(f) In case he is writing a reply he must read the initiating letter very carefully.

(g) The drafting will depend much upon the nature of the recipient.

(2) The Addressee or the Recipient or the Reader:

A letter is always directed to a recipient (or recipients). He is the communicatee or the addressee or the reader. If the letter is unimpressive, the recipient may not read it and so not necessarily a recipient is the reader. The drafting of a letter largely depends on the nature of the recipient. Moreover, a letter must reach the recipient, in the shortest possible time.

That depends much upon the external factor—the efficiency of the postal system unless a letter is sent by a messenger. The form of a letter depends much upon the nature of the recipient.

(3) The Message:

A letter carries a message or stimuli. It may be long or short, pleasant and unpleasant, general or particular, regular or urgent, meant for an individual or many, initial or responsive, etc. The style of writing depends much upon the nature of the message.

KINDS OF BUSINESS LETTERS:

1) Sales Letter

This is the most common form of a business letter that is used in almost every field. The sales letter serves as an introduction for the customer about the product and/or the company. A typical Sales letter starts off with a line or statement which captures the interest of the reader who is more often than not a target customer or a prospect.

The purpose of a sales letter is to ensure that the reader takes an action and that is why strong calls to action are included in it. The call to action includes a website link, phone number, social media handles, etc. which would connect the customer with the company for further info.

2) Acknowledgment letter

A letter sent for acknowledgment or recognition or receipt of material or letter from the other party is called an acknowledgment letter. The acknowledgment can be of receipt of goods and services, receipt of any other letter or of general inquiries.

It is usually sent by post or by mail. The letter is also used for replying to the queries and complaints sent by customers or clients to state and acknowledge that we have received the communication.

3) Order Letters

As the name suggests, these are types of Business letters that are sent solely for the purpose of placing orders and they may be sent to wholesalers, retailers, or a manufacturer.

The order letter includes all the relevant details related to the order such as invoice or receipt number, product details along with specifications, quantity of the order, Sales tax number and other details related to the manufacturer and a figure indicating the total amount of the order.

Depending on the agreed payment terms the payment amount may or may not be included in with the Order letter.

4) Apology letter

An apology letter is written in order to express regret regarding a certain matter, which says the acknowledgment of mistake or issue or error along with an apology. It is a way of showing sincere regret towards the mistake along with the steps to rectify it or make necessary changes to try and undo the damage.

Apology letter may be issued by the company for the customer or to the dealer or even to an internal stakeholder.

5) Complaint Letter

Complaint letters are the types of Business letters written by one party to another party or entity to convey dismay about a certain issue. Complaints are indicators that something has went wrong and that has been indicated by a formal business letter.

A customer may issue a product complaint letter to address something that is wrong with the product or to highlight a deficiency in services leading to dissatisfaction. The complaint letters are short and usually direct in nature, addressed to the company or person or department in charge.

Sometimes complaint letters may also contain steps to rectify the problem or expected compensation. A complaint letter is followed by an acknowledgment letter and then an apology letter, if applicable.

6) Appreciation letters

These types of communication letters are written by senior management to the junior management for the conveyance of gratitude in order to congratulate them on a job well done or in order to motivate them.

7) Circular Letters

These types of business letters are sent to a closed group or selected people with the purpose of being circulated widely. The purpose of circular letters is to either convey customers about the sale or news or intimate about important information about newly launched or built facilities.

This can also be used to deliver news about new product launches. Circular letters are also used to reach new and prospect customers to let them know about the new information and new developments.

8) Inquiry Letters

These types of business letters are sent for inquiry about certain information. The primary purpose is to know about something or if someone has any query which needs to be answered. The inquiry letter is to be kept short and to the point with directly addressing the inquiry.

The person who asks query is called an inquirer and the inquirer should make sure to include his address and contact details for the authorities to get back to them.

9) Confirmation letter

Whenever there is a discussion or mutual agreement between two parties, and the discussion leads to an understanding or mutual agreement, that agreement is quoted in a confirmation letter.

10) Adjustment Letter

Adjustment letters are the ones that are sent to the customers as a response to their claim or complaint. The adjustment can be either in customers' favor in which case, the letter should begin accordingly and if it is not in the favor of the customer, the tone should be kept factual with a message that you understand the complaint.

QUALITIES OF A GOOD BUSINESS LETTER:

Letter-writing is an art. The style of the letterhead, the paper on which the letter is written, the neatness of writing etc. will create good impression in the minds of the reader.

1. Clarity:

Clear thinking and simple expression are the two important virtues of effective writing. A good letter should show its idea directly and clearly. Each sentence should be as simple as possible. The reader should have no difficulty in understanding what the writer means to say. When the reader

gets the same meaning from the-message as what the sender intended, it is a good letter.

2. Conciseness:

Transmission of maximum information by using minimum words should be the aim of letter-writing. Unnecessary details and roundabout expressions should be avoided. People are busy and they receive a number of letters daily. Unless one says quickly what one wishes to say, he will not be able to get the attention of the reader and focus it on the message. Therefore, a letter should be simple and brief.

3. Completeness:

The letter should contain all the essential points a reader is expected to know. For example, a sales letter should include the description of the goods, price, quality, how and where to buy, the date of delivery, discounts etc. If it gives only partial information, it is not a complete letter.

4. Correctness:

The correctness demands no error at all in grammar, idiom, spelling, and punctuation. Besides, the information given in the letter must be accurate; otherwise it will shake the confidence of the reader. The message should not be transmitted unless the sender is sure of its correctness.

5. Courtesy:

Courtesy means politeness. It always pays to be courteous in business. It softens the sting of an unpleasant piece of information, creates goodwill and produces a favorable response. Good-will is a great asset for an organisation and courtesy in correspondence is one of the most natural and economical means of building it.

6. Cheerfulness:

There should be no negative approach in a letter. It must begin with a positive and optimistic note. The approach should be friendly and convincing.

7. Promptness:

Promptness in replying a letter is absolutely necessary. The general practice is to reply a letter the same day it is received. When it is known that a reply to a letter requires time it is necessary to acknowledge the letter received and intimate the probable time required sending full reply.

8. Appropriateness:

Appropriateness refers to writing or replying letters keeping in mind the relation and psychology of the reader as well as the need of the occasion. The tone, style and language should be changed according to the occasion.

9. The 'You' attitude:

In business letters, the reader's interest must be emphasised and not the sender's interest. To make letters effective, avoid words such as 'I' and 'we' and use as many as 'you' as possible. The 'you attitude' can be used effectively in all kinds of business letters.

10. Integral:

The purpose of business communication is to create understanding, bring about cooperation and initiate constructive action. Therefore, all communication should be in conformity with the general objectives of the organisation.

PARTS OF A BUSINESS LETTER:

The following parts usually constitute the structure of a business letter:

1. Heading:

Many business organisations use printed letter head for business correspondence. The letterhead contains the name, the address, the line of business, telegraphic address, telephone numbers, telex numbers, e-mail address etc.

2. Date:

The date should be indicated in the upper right-hand corner of the letter sheet. It is generally written two or three spaces below the last line of the letterhead.

There are two methods of indicating the date:

(i) In the order of day, month and year — 10 July 1999.

(ii) In the order of month, day and year — July 10, 1999. Both methods are acceptable.

It is advisable to write the names of the month in full.

3. Inside Address:

The inside address consists of the names and address of the person or firm to whom the letter is written. It is generally written two spaces above the attention line and two spaces below the level of date. If there is no attention line it is given above the salutation in the left margin. The full address, i.e., the name of the person, firm, street, road etc. should be written as indicated in the source you got the address from. The details should not be abbreviated.

While addressing a firm, 'Messer' is used before the name. If the firm bears personal title, messers should be used. If the letter is addressed to an officer by name write Mr. or Shri before the name. If the officer is an unmarried woman add Miss and if married Mrs. or Smt. before her name.

4. Attention Line:

When a letter is addressed to a company so that it should reach a particular office by name or a particular department, then attention line is typed below the inside address. This line is generally underlined.

5. Salutation:

Salutation means greetings. It shows the respect or affection or politeness which you introduce in a letter. The choice of salutation depends upon the personal relationship between the writer and the reader. It is placed two spaces below attention line or two spaces below the inside address. While addressing a firm, company or a club, etc. use 'Dear Sirs'.

6. Subject:

The purpose of subject line is to let the reader know immediately what the message is about. By seeing this the reader can understand at a glance what the letter is about. The usual practice is to type this line in a double space between the salutation and the first line of the body.

Dear Sirs,

Subj.: Payment of Bill.

7. Reference:

In a reply to an earlier letter reference numbers, date etc. may be mentioned below the subject. Subject and reference must be separate and must stand out clearly to get the attention of the reader.

8. Body of the letter:

The body is the most important part of a letter. The purpose of this part is to convey the message and to produce a suitable response in the reader. It is, therefore, important to organ-ise and arrange the material very carefully.

Generally, the body consists of the following:

(i) Opening paragraph.

(ii) Main paragraph.

(iii) Closing paragraph.

The opening paragraph should be written in such a way that it attracts the attention of the reader and makes him go through the letter.

The main paragraph contains the subject matter. It should cover all the relevant points which the writer wants to convey. It should be written in simple, clear and unambiguous terms.

The closing paragraph should indicate the expectations, intentions and wishes of the sender.

9. Complimentary close:

The complimentary close is a polite way of ending a letter. It is typed two spaces below the last line of the body of the letter.

10. Signature:

Signature is the assent of the writer to the subject-matter of the letter. It is placed below the complementary close.

LAYOUT OF A BUSINESS LETTER:

The general appearance of the letter will create a favorable impression in the minds of the reader.

It is, therefore, advisable to remember the following points with regard to layout or appearance of the letter:

1. Stationery:

For making an initial impression it is necessary to use good quality paper. Use of the best stationery is a good investment. White paper is preferable as the letters stand out clearly on it and make easy reading. The size of the paper may be according to the suitability of each organisation.

2. Typing:

Typing saves time and gives a good appearance. It is, therefore, necessary to get the letters neatly typed. Typing of letter involves extra expenses. But the appearance of the letter will pay rich dividends.

3. Margin:

Margin in a letter adds to its attractiveness. One inch (2.54 CMS) margin on all sides is the standard one. Margin may be suitably changed according to the size of the paper and it should give a picture frame appearance.

4. Folding:

Care should be taken when folding a letter. It should be done with minimum number of folds and the letter should not look bulky when placed in a cover. The folds should be well pressed down. When a letter is placed in a cover it must give a smart look.

5. Envelope:

The color and quality of the envelope must match the inside letter. The envelope should suit the size of the paper on which the letter is typed.

ENQUIRY

Enquiry means to ask a question, and inquiry is a formal investigation. Inquiry has a formal and official ring to it, while enquiry is informal in its connotation.

In general parlance, it is understood that enquire is to be used for 'asking', while inquire is what constitutes 'making a formal investigation'.

An enquiry letter is written by a potential customer, on the lookout for a product or with a desire to avail the service offered by a seller or an organization. An enquiry letter is neither a contract nor does it entail any contractual obligation between the two.

The purpose of the letter of inquiry is to determine if an organization and its proposal fit within the Foundation's eligibility guidelines before the organization expends resources to put together a full proposal.

THE LETTER OF ENQUIRY

The letter of inquiry should include the following sections: The introduction serves as the executive summary. It includes the name of your organization, the amount needed or requested, and a description of the project.

REPLY LETTERS TO ENQUIRY:

A response letter provides the answers or information requested in a letter of inquiry. The objective is to satisfy the reader with an action that fulfills their request. If you have neither the information requested nor the authority to reply, forward the inquiry on to the correct person.

Letter to respond to an inquiry about products or services.

GUIDELINES

- You should quickly respond to customers' request or queries because it shows that you value them. If you write a heartfelt letter, the customers will not only remember your product or service; they will also like your attitude. Your positive attitude boosts the clients' confidence in your abilities to meet their needs.
- Mention the client's request.
- Tell the reader how you handled his/her request. Give some information about a particular product or service and promote it.
- Explain the procedure of ordering. Invite the reader to ask any questions he/she has in mind.
- End on a positive note.

Sample Letter of Inquiry

(one to two pages)

Organization Letterhead

Date

M. Gregory Cantori
Executive Director
The Marion I. & Henry J. Knott Foundation
3904 Hickory Avenue
Baltimore, MD 21211

Dear Mr. Cantori

We are seeking support of \$XX,XXX from the Marion I. & Henry J. Knott Foundation for (operational/general support, project support, capital, etc.) of our (program/operations). We believe this project is aligned with The Marion I. & Henry J. Knott Foundation's mission in (field of interest and other funded projects).

Established in 19XX, we serve the (geographical) community with services: (List). Recently we were honored by (description) for (accomplishment). (Insert one or two other accomplishments, measurable outcomes, of project or entire organization.)

The project for which we request funds will make a difference in the lives of (such and such clientele) in the following way: (insert compelling specifics of plan). The project will take X amount of time, totaling X \$\$\$\$ and we expect to see the following outcomes: [a], [b], and [c].

We have received (grant support, contributions, in-kind, volunteer help, etc.) in the early stages. Support for the first year will likely come from [a], [b], and [c] (confirmed, pending) and the project will (be completed at that time, or supported in the future by [a], [b], and [c]).

We would be happy to meet with you to discuss this request in more detail and look forward to submitting a full proposal.

Sincerely,

(sign)

Your Name
Title

Letter writing - Read the notes and write an appropriate reply.

SENDER: Mr. Steve Chapman of Freeman's Plc., Birmingham, furniture manufacturer; he can grant a 10% discount on orders received by end of month; delivery from stock guaranteed; payment on delivery.

RECEIVER: Ms. Susan Philips of Epson Ltd, Liverpool, who enquired about a range of office desks.

Freeman's
15 Dalton Street
B45 0AJ Birmingham - UK

29 April 2016
Epson Ltd
8 Gordon Road
Liverpool, L10 1LA - UK

Dear Ms. Susan Philips,

REPLY TO ENQUIRY

In reply to your letter of 20 April 2016 regarding our range of office desks, we are glad to inform you that our sales terms are the following:

- Delivery: from stock guaranteed;
- Payment: on delivery;

More over we enclose our color catalogue and up-date price list - from which you will certainly realize that our high quality items are offer a competitive prices.

As to possible discounts, we can grant a 10% discount on orders received by end of this month.

We feel confident you will find our terms and products to you satisfaction and that we will be hearing from you soon.

Yours faithfully

Steve Chapman

Marketing Department

Enc: 2

OFFERS AND QUOTATIONS

Meaning of Offer:

An offer can be made to a large number of customers in the form of general terms and in the form of printed circular letter.

Meaning of Quotation:

A quotation, or quote, is a document that a supplier submits to a potential client with a proposed price for the supplier's goods or services based on certain conditions. Therefore, a quotation is often required for services but is also commonly used by businesses that sell goods.

OR

A Quotation is a business offer made by a seller to an interested buyer to sell certain goods at specific prices and on certain terms and conditions.

It is a reply by the seller to the prospective buyer. Hence, the quotation letter should be prepared carefully by the seller. It should contain information on all points mentioned in the inquiry letter.

The seller should send the best possible quotation so that it induces the buyer to place an order because it is the basis on which the interested buyer decides whether to buy or not.

CONTENTS OF QUOTATION

The quotation may contain the following points: -

- Details about quality of goods offered for sale.
- Details about quantity of goods offered for sale.
- Type of quotation.
- Sale price per unit of the commodity.
- Term of payment like Cash or Credit, trade discount, cash discount and other allowances if any.
- Time, mode and place of delivery.
- Details of duties, Octroi, etc., payable.
- Details of packing, labelling, insurance, etc.
- Net price payable.
- E and O.E. (errors and omissions expected)
- Kinds / Types of Quotations ↓

FOLLOWING ARE THE MAIN KINDS OR TYPES OF QUOTATIONS: -

1. Loco Price Quotation

Loco means 'On the spot'. Therefore, the loco price refers to the cost of goods at the factory or godown of the seller. Once the goods are out of the sellers' factory or warehouse, all the expenses for carrying the goods from the seller's warehouse to the buyer's place are to be borne by the buyer. This is the lowest price quotation.

2. Station Price Quotation

Under this quotation, seller's responsibility is to send the goods to the nearest railway station from his warehouse. It includes the cost of carriage of goods to the station. Since he delivers the goods up to the station, he charges a little higher price. All further expenses on goods such as freight, insurance, etc. have to be borne by the buyer.

3. Free on Rail (FOR) Price Quotation

Free on Rail (FOR) price quotation covers the expenses of carrying the goods to the railway station nearest to seller plus the loading expenses, freight and unloading expenses are to be borne by the buyer.

FOR price quotation = Station price quotation + Loading Charges

4. Cost and Freight (C & F) Price Quotation

Cost and Freight (C & F) price quotation includes the cost of the goods and all the expenses like carriage to the seller's nearest station, dock and loading charges and freight. Expenses like insurance, unloading and cartage to the buyer's place are to be borne by the buyer.

C & F price quotation = FOR price quotation + Railway Freight.

5. Cost Insurance and Freight (CIF) Price Quotation

There is a risk involved in transporting goods and this risk is covered by insurance. Generally, the buyer pays insurance charges but if CIF quotation is mentioned then the seller pays for the insurance charges along with other previous mentioned prices. So, the price includes cost of the goods plus carriage up to seller's nearest station, loading, freight and insurance charges.

CIF price quotation = C & F price quotation + Insurance.

6. Franco Price Quotation

Franco price quotation is the highest price quotation. In spite of being the highest quotation, buyers prefer this quotation because under this price, the goods are delivered to the buyers at their door-step. The buyer is relieved from the tension of transporting goods from the seller's warehouse to his own warehouse.

Franco price quotation = All expenses up to the buyer's warehouse.

7. Free Alongside Ship (FAS) Price Quotation

Free Alongside Ship (FAS) price quotation includes the cost of the goods and all the expenses to deliver the goods at the dock nearest to the seller. The buyer has to bear the expenses of loading, insurance, freight and the customs duty, etc., in addition to the cost of goods. Though this quotation is used in some countries, it is not in use in India.

FAS price quotation = Loco price quotation + cost of carriage of goods up to the harbor nearest to the seller.

8. Free on Board (FOB) Price Quotation

Free on Board (FOB) price quotation is similar to FOR in inland trade. This is normally used in foreign trade. Under FOB quotation, the seller quotes a price which includes all the expenses incurred until the goods are actually delivered on board the ship at the port of shipment.

FOB price quotation = cost of goods + expenses up to goods on ship's board.

9. Cash with Order (CWO) Price Quotation

In Cash with Order (CWO) price quotation, the buyer has to send cash along with the order, otherwise, the order may not be executed.

10. Cash on Delivery (COD) Price Quotation

In Cash on Delivery (COD) price quotation, the buyer has to pay cash after receiving the delivery of the goods ordered by him.

A GOOD BUSINESS QUOTATION WILL INCLUDE THE FOLLOWING:

1) REFERENCE NUMBER

It's important to give your quote a unique reference number so both you and your client are sure about which quote is under discussion. This is particularly useful if you have to revise your quote or issue a new one.

2) BUSINESS DETAILS

It's best (and most impressive) to use your company's letterhead. It should always include your name, business address, contact telephone numbers and email address.

3) GREETING

Open your quote with a friendly greeting and thank your customer for the opportunity to quote.

4) JOB SPECIFICS AND TOTAL COST

Detail the specifics of the job and outline what the costs cover. Indicate what is not covered: for example, the cost may cover parts and labour, but not include delivery.

5) BREAKDOWN OF COSTS

Describe the job proposal, detailing the elements involved. Itemize costs for labour and materials.

If you're quoting to supply products:

- check your quantities - ensure you can provide the requested quantity before you quote
- consider the logistics – can you purchase, store and supply the products within the required time without incurring prohibitive costs?
- check delivery requirements – does your customer want the products delivered?
- look for overhead costs - thoroughly research the job and all logistics. Unforeseen costs can shrink your profit margin.
- If you're quoting to provide services:
- keep accurate records - log the time you spend on various tasks; the details will be invaluable for quotes and budgeting in the future
- compare the job - use previous service contracts; get advice from your peers
- be realistic - don't underestimate the amount of time you will spend providing your services, and make sure any flat fees you quote are carefully considered
- identify your additional costs - charge for any additional costs (disbursements) that your business will incur.

6) VARIATIONS

Explain how different scenarios or variations will affect the cost: for example, with or without installation.

7) SCHEDULE FOR WORK

Indicate when you will start the job and how long it will take (do not underestimate!). If you win the job you will be contractually obliged to finish it in

this time so, make sure it is feasible. If your schedule is based on variables, such as good weather, make sure you indicate this.

8) PAYMENT TERMS AND CONDITIONS

Indicate when you require payment. For example, deposit, lump-sum, periodical payments, half up front and the rest on completion.

9) QUOTE AN EXPIRY DATE

Clearly note the date you need the quote accepted by, especially if prices change quickly in your industry. Make sure you give your customer a friendly reminder before the expiry date.

10) CUSTOMER ACCEPTANCE SIGNATURE

Include a dated 'sign here' statement to confirm the agreement and to accept the terms and conditions.

11) REVISE QUOTE

If the job changes substantially, provide a revised quote (with a different reference number) and ask your customer to confirm the quote before continuing work.

MEANING OF ORDER:

In business or commerce, an order is a stated intention, either spoken or written, to engage in a commercial transaction for specific products or services. From a buyer's point of view, it expresses the intention to buy and is called a purchase order. From a seller's point of view, it expresses the

intention to sell and is referred to as a sales order. When the purchase order of the buyer and the sales order of the seller agree, the orders become a contract between the buyer and seller.

Meaning of Order form:

An order form is a document buyer use to request merchandise from a wholesaler, manufacturer or retailer. ... It may be a request form, a restocking document, etc. But, in broader terms, it's an order form. Aside from selling goods, an order form may be used to sell services.

Letter of Acknowledgement of Order and Its Execution:

This Letter should be written in The Letter-Pad of the Company.

From:

The Sender's Name,
Door Number and Street's Name,
Area Name,
City.

Postal Code: XXXXXXX

Phone Number: 0000 - 123456789

E-mail ID: sendersname@companywebsite.com

Date:

Reference:

To:

Addressee's Name,
Designation,
The Company's Name,
Full Address with Phone Number.

Subject:

Dear __,

We thank you very much for your order of 6th instant. They have been dispatched. The invoice for the goods amounting Rs.5680 (Rupees five thousand six hundred and eighty only including packing and incidental charges is enclosed.

We hope that you will be fully satisfied with our prompt execution and favor us with subsequent orders.

Yours Sincerely,
(The Sender's Signature)
The Sender's Name
Encl:

MEANING OF ORDER EXECUTION LETTER:

The letter through which the seller informs the customer that the ordered goods have been delivered is called order execution letter. Once seller receives order from customer, he can accept or reject it. Whether the order is accepted or rejected, the seller must inform it to the customer. When the seller accepts the order and delivers the ordered items, he writes the order execution letter. The purpose of writing this letter is to inform the customer about the date of delivery, mode of transportation used, the probable date at which customer will get the shipment and the total price. The invoice is usually enclosed with this letter.

Contents of order execution letter

Generally, an order execution letter contains the following points:

- Reference number of order letter with date
- Name, brands and quality of products
- Quantity of products
- Date of delivery of goods
- Expected date of reaching goods to the buyer's address
- Nature of packing of goods
- Transportation used for delivering goods
- Total price of the products and
- Expected date and mode of payment

DEFINITION OF ORDER CANCELLATION LETTER

A buyer places an order to the seller for shipment of goods but there may be some causes for which the buyer may require to cancel his order. In such a situation he (buyer) writes a letter by providing reasonable causes of cancellation, which is known as order cancellation letter. Delay in shipment, depression in the market, cheap goods in another market, financial problem and others may be the causes of cancellation of the order.

Such a letter should be polite enough to cancel the order and should regret the inconvenience in such a way so that good relations and goodwill remain. A cancellation letter is a form of communication to inform the service provider, institution or a company that the writer is dissatisfied with membership or company and would like to discontinue it or cancel an order for products or services.

The reason for cancellation can be several- the consumer might be dissatisfied with the company or the service or could have changed his/her mind about the purchase, or specific circumstances could have rendered the purchase unnecessary, hence necessitating the cancellation.

The following is the sample of Letter to Cancel an Order.

From.

Date:

March 29, 2015

Badsha Ahmed

Park Street Colony,

Study & Enrich Store,

Bangalore – 13, India

To,

Mr. Ram Charan

Shipment Manager,

Gex Books Pvt. Ltd,

Chennai, India 600003

Subject: Cancellation of an order

Dear Mr. Ram,

I am writing to you to inform you that I would like to cancel the order of 13 physics textbooks which was placed earlier this week. The order number is 2144v. The school has decided to provide books by themselves, and hence I won't be needing them.

Please send the refund amount by cheque to the address mentioned below.

I am incredibly sorry for all the trouble and inconvenience caused.

Thanking you,

Sincerely,

Badsha Ahmed

MEANING OF COMPLAINT LETTERS:

Letter written to bring these mistakes to the notice of those who must own the responsibilities for them are called claim or complaint letters. So, when a letter is written to the seller by the buyer raising complaints or claims regarding mistakes taken place during the order to payment period is called a claim or complaint letter.

TYPES OF COMPLAINTS LETTER

Though there are various types of complaints raised in the course of business dealings, they can be grouped into two major groups- routine complaints and persuasive complaints. These are discussed below-

Routine Complaint Letter: A routine complaint letter is written in the cases where the mistakes are considerable and routine in nature. In such cases request for correction is supposed to be complied quickly and willingly without persuasion. For example, the quoted price of an item was 500\$ but the supplier charged 550\$ per item. This type of mistake is brought to the supplier's notice by routine complaint letter. This type of claim is usually managed or satisfied by the sellers.

Persuasive Complaint Letter: A persuasive complaint letter is written in the cases where the buyer is to convince the seller to correct the mistakes occurred. For example, the quoted price of an item was 400\$ per unit while placing the order but after placing the order the price was reduced to 300\$ per unit. This type of mistake is brought to the supplier's notice by persuasive

complaint letter. The seller is not legally bound to pay attention to this type of claim.

SOURCES OF MISTAKES GIVING RISE TO COMPLAINTS

In case of fulfillment of order, buyers can raise their complaints against the suppliers due to various reasons. Followings are some common sources of mistakes that give rise to complaints by the buyers-

- Incomplete or defective order
- Abnormal delay in sending the consignment
- The goods arrive in a damaged condition
- The goods are not what were ordered
- Quantity of goods is not what was ordered
- Goods are delivered at the wrong place
- Work undertaken is done unsatisfactorily
- Misbehavior of staff or salesman
- Mistake by the accounts section in preparing the invoice
- Defective packing that might lead to the damage of goods in transit
- Mistakes in a bill or reminders for payment after the bill has been paid
- Dispatching products of wrong quality, color, brand, pattern and defective pieces of goods etc.

Complaint Letter

Sender Name
Sender's Title or Position
Sender's Organization Name
Sender Street Address
City, State, Zip Code

Date: DD/MM/YYYY

Recipient's Name
Recipient's Position or Title
Recipient's Organization Name
Recipient's Street Address
City, State, Zip Code

Dear Sir/ Madam,

I am writing this letter to bring your attention that I am not satisfied with your quality of services provided at _____ (business name). I am talking about the services I took on DD/MM/YYYY and want to let you know I was very upset with your staff's performance. They used to deal with me quite inefficiently and did not show their interest which they must show while dealing with regular customers.

I have been a regular client of your business but now I am completely disappointed. I expect quality services from you and request you to address this issue with immediate attention. I expect full compensation and look forward to your replies within shortest time.

Yours Sincerely

Write Your Name Here

CLAIM LETTER

A "Claim or complaint letter" is written to the concerned company to bring the mistake or damage done to the notice of the supplier or provider, and to ask for rectification and/or compensation.

Purpose: To express dissatisfaction and propose an equitable adjustments or solution.

A letter of claim is a letter that is written to notify someone of incomplete or unsatisfactory work on a specific project. A reply to a claim letter is called an adjustment letter.

Need for claim letter:

Claim letters are used to make claims due to unsatisfactory work or products by companies that have contracted another party to complete work. For example, if a company outsources production of a part required for a final product and is unsatisfied with the contractor's work, that company will write a claim letter to demand superior products. As such, claim letters have a very formal and serious tone.

SAMPLE CLAIM LETTER

StayWarm Wool Centre
35, Dombivli
Thane

November 26, 2012

The General Manager
Northern Railway

Dear Sir

We would like to bring to your kind attention that our consignment of hosiery goods sent from Amritsar on November 10, 2012 was tampered with during transit. This fact has been duly certified by the railway clerk at Thane station from whom we received the consignment. His remarks are enclosed herewith. We are writing to request compensation for our losses.

The pilferage of woolen clothes has resulted in huge losses for us. We have enclosed an itemized list of the lost items along with their costs and we must insist that you register this claim of ours and reimburse us immediately.

We look forward to hearing from you.

Sincerely

Authorized signatory

Meaning of Adjustment letters:

An adjustment letter is a response to a written complaint. The objective is to inform the reader that their complaint has been received. It is also a legal document recording what decisions were made and what actions have or will be taken. Keep in mind that your reader has been inconvenienced.

Adjustment letter sample 1

Bangladesh Textiles Mills Ltd.
Narayangong, Dhaka

10th Feb. 04

Marketing Manager
Bexi-Clothes Corner
South Plaza,
Dhaka-1215.

Ref: Your letter dated 5th Feb. 04.

Dear Sir,

We thank you for your letter of 5th Feb. 04 along with/ sample of cloth for examination.

The report that we have received just today shows that the consignment forwarded to you was the wrong one full of defective clothes. It was a mistake because of our dispatch section, and we regret this mistake which has caused you both embarrassment and inconvenience. We have already sent the replacement by passenger train. You can be sure of the quality of cloth now sent.

You can, of course, return the clothes to us and debit our account for the loss caused to you. We again regret the inconvenience to you and assure you that such mistakes will be avoided in the future.

Yours faithfully

M. Ashraf
Sales Manager
Bangladesh Textile Mills Ltd

In business correspondence a number of abbreviations are used, some of which are only suitable for informal communication, some even for electronic communication only (e.g. emoticons). In formal business letters, a clear, formal writing style should be used, however, there exist some instances in which the use of abbreviations is appropriate to save both space and time.

FORMAL WIDELY USED ABBREVIATIONS:

ASAP - as soon as possible

attn - attention: to show that a letter is for the attention of a particular person

BYOB - bring your own bottle: used on invitations to show that you should bring your own beverage to a party or get-to-gather

cc - used on a business letter or e-mail to indicate that a copy of a given letter is being sent to the person mentioned

c/o or c/- - care of: used in the address on a letter or parcel that you are sending to someone at another person's house

encl. - enclosed or enclosure: used at the top or bottom of a letter to show that an attachment has been included in the letter

FAO - for the attention of written in front of someone's name on a document, letter, or envelope to show that it is intended for them

FYI - for your information written on a business letter or e-mail to show that it is being sent to someone for their information only; they are not expected to reply or take any action

pp - on behalf of - written in front of someone's name when you are signing a letter for them

PPS - written before a note at the end of a letter, after the PS note

PS - postscript: used for introducing some additional information at the end of a letter after you have signed your name

PTO - please turn over: used at the bottom of a page to indicate that there is a second page (informal)

RE - used in business letters to introduce their subject matter

ref. - reference: used in a business letter when you are giving the numbers and letters that show exactly which document or piece of information you are writing about

RSVP - used on written invitations to ask the invited person to confirm their attendance