

XXXXXX XXXXXXXX XXXXX

Reg. Add.: XXXXX XXXXX XXXXXX XXXXX,
XXXX, Ahmednagar – 000 000. (MH.)

Date: / /

Justification for decrease in sales

Respected Sir / Madam,

We are in receipt of your request asking for justification in respect to decrease in sales. As being one of the directors of the company we are herewith forwarding following information and explanation in this regards.

The company's sales manager and employees consistently focus on improving sales of the company. But sometimes, factors beyond the control contribute to reduced sales.

Dairy Industry was facing the drought issue in past few years, which eventually impacted on production of milk. It causes to decline in sales. Due to drought the company had to pay higher amount for inputs. Even though the Input Cost was going higher the market price of Milk was not changed. Unfortunately this has also caused to decrease in sales.

In past few years there is substantial increase in number of dairies in market causing to tough market competition, and this is the reason for having negative impact on sales.

In past two years there is drastic change in management. As result of same number of directors are reduced to 2 directors from 4 directors. The company takes time for getting stable. This was also affected companies sales policy and sales control.

Currently things are looking brighter. The milk price is finally catching up, so dairies will hopefully be profitable again soon. We are also applied amended Sales policy and hoping for the increase in sales with higher efficiency. We are also hoping to increase our sale up to Rupees 18.00 Crore in current Financial Year.

Yours Sincerely,

Director,
XXXXXX XXXXX XXXX XXXX