31st May 20XX

From:  
Address:

To:  
Address:

**Subject: Salary Deduction Due to Decline in Finances**

Dear Staff,

I hope you all are well. XYZ Company is known for the professionalism and well-being of its employees. We always take initiatives for the amelioration of our employees because we believe that you are our strength. Due to this pandemic of Covid-19, we all are going through a tough time. It is to bring to your notice that the financial and economical state of our company is unstable due to massive decline in finances. The demographics of this decline have been attached for your convenience. Your efforts to cope up with this sudden challenge are highly commendable.

All spheres of life are jolted by COVID-19 and the continuously imposed lockdowns have worsened the situation. We pre-empt that the effects of this menace would be long-lasting.  I have asked our competent think-tank to examine the business objectives to analyze the situation and decrease the expenses to improve the well-being of the company. The Company is going through hard times. Being a member of the organization, you all are expected to stand with us in this disturbing situation.

The journey must continue despite all hardships. Resultantly, after the complete analysis and screening, it has been decided that 10% of the gross salary will be deducted this month to stable the economic condition of the company. This decision is applicable w.e.f. June 01, 20XX. In addition, overtime will be ceased till further notice. However, employees are expected to continue their part-time or full-time schedule regularly.

This is a difficult decision, and we know how it will affect you and your family. I assure you that as soon as the finances of the company are settled, we will try to compensate for the grievances in the next increment. We appreciate all your hard work for the company. I hope you all will work with full zeal and zest and will comply with the decision. I assure you; we are available for addressing your concerns. I congratulate and appreciate you for being supportive. Stay Strong.

Regards,

Name of the Sender  
Designation   
Signatures