**To**

**[The Recipient Name]  
[Address]**

**Re. Letter to Inform Cost Cutting Effective from [DATE]**

Dear All,

The company is experiencing several financial strains for the past few months due to work insufficiency and post-COVID financial exhaustion. We had made many efforts to work with other options but unluckily all efforts remained unsuccessful.

To corroborate the company’s financial steadiness, we have decided to reduce company's expenses by reducing some profits and perks temporarily. We are informing it with deep remorse that due to downsizing the company’s costs we would no longer be providing some of the employees’ benefits. The notification must be observed with immediate effect.

To cut back, the company was forced to close its franchises in [CITY], branch [X] and [CITY], branch [X] diffused all the settlements to the headquarters. Cost Cutting is an indispensable solution because of the shortfall in the company’s economy.

We feel contrite about doing so but it is promised that once the problems are settled in a few months, the company shall provide better employee benefits with high ends. The company always remembers your valuable benefactions.

Moreover, it is notified that this reduction is not based on any cadre, rather it is equivocally implemented without cadre discrimination. Hence, the employees working under grade 4 are exempted from this we promise better future options in terms of employees' benefits and perks after the settlements of these issues.

We are extremely sorry for causing inconvenience for you and we make you certain that we will make up for it through a satisfactory compensation. Please consider our indebtedness and gratitude for the valuable services and resilience you have always expressed.

Thank you

Best Regards.

[Your Name]  
[Designation]