Effective date:

Name of the employee

Address

Subject: Salary deduction due to poor performance

Dear Mr. ABC,

I am writing this letter to inform you that the company has decided to deduct your salary. I have been noticing from the previous few months that your performance is no longer up to the mark. You are often late workplace and I have also heard that you don’t pay attention to your work when you are in the office. When I took a round of the office without informing, I found you sitting in your office using a cell phone.

I have warned you so many times that I might take disciplinary action against you if you don’t improve your performance. However, it seems like all my warnings fell on deaf ears. I am so much disappointed to see your bad performance and therefore, I am compelled to deduct your salary. As per the employment contract that you have signed with our company, we can deduct 10% of your salary for the month.

I hope that you will correct your behavior after having seen this disciplinary action against you. If you have any query regarding this letter, you can write me back.

Regards,

Name of the recipient

Designation of the recipient

Signatures:

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