Shrinking VMDK Virtual Disk Size on VMWare ESXi

Reduce the VMDK File Size of the VMWare Virtual Machine

1. Shut down the virtual machine you want to reduce disk size;
2. Using SSH, connect to the console of the ESXi host the VM is registered on (you can use putty or the built-in Windows SSH client);
3. Go the directory the VMDK file of your VM is located in (you can get a path to it in the virtual disk properties of the vSphere client):
   $ cd /vmfs/volumes/datastore/test-VM

4. Display the contents of the virtual disk configuration file (*.vmdk) using the *cat* command:
   $ cat test_vm_3.vmdk
   The size of the vmdk disk is shown in the **#Extent description** section (after the RW characters). In this case, it is **167772160** (80 GB *1024*1024*1024 / 512);

5. I want to reduce my VMDK disk from 80 to 40 GB. It means that I have to specify **83886080** (40 GB*1024*1024*1024 / 512) in the Extent description section. Set a new size of your virtual disk using a text editor (vi or nano);
6. I am using vi:
   $ vi test_vm_3.vmdk

7. Using the down arrow key, go to the line containing the disk size and press *i* (to edit it). Specify the new size of the virtual disk.
   Press ESC to exit the edit mode and then type :wq -> Enter to save the; changes;

8. Then just clone or migrate (using Storage vMotion) the virtual machine to another datastore. After moving the virtual machine files, the new size of its virtual disk will be displayed in its properties.

   Tip. If you have only one ESXi host, one VMFS datastore, you won't be able to use the Storage vMotion.
   Then you can clone vmdk using this command:
   $ vmkfstools -i test_vm_3.vmdk test_vm_3_newsize.vmdk

   Remove the source VMDK disk, clone the reaming VMDK disk again and rename it by specifying its original name:
   $ rm test_vm_3.vmdk
   $ rm test_vm_3-flat.vmdk
   $ vmkfstools -i test_vm_3_newsize.vmdk test_vm_3.vmdk

9. Make sure that the new size of the virtual disk is now displayed in the VM properties.

Ref:
http://woshub.com/shrinking-vmdk-virtual-disk-vmware-esxi/