



# Federation of National Postal Organisations

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**SIVAJI VASIREDDY**

Secretary General

No.1-11/Murshidabad ASP/WB Circle

09-01-2025

To  
The Secretary,  
Department of posts,  
Dak Bhawan,  
New Delhi-110001.

Respected Madam,

**Sub: Request for review of incentive structure for procurement of PLI/RPLI to SSP/SP & ASP/IP – reg.**

My Federation wishes to bring to your kind notice the growing concern among staff regarding the highly impractical, unethical, and oppressive targets being fixed in respect of PLI/RPLI business and the repeated conduct of melas at multiple administrative levels.

At present, the Directorate is fixing PLI/RPLI melas, which are subsequently followed at Circle level. In addition to this, Circles on their own, Divisions independently, and even Sub-Divisions are announcing, organizing, and conducting melas frequently. As a result, staff are compelled to participate in continuous melas without respite. It is pertinent to mention that PLI and RPLI products existed even a few years ago, but such frequent mela-based pressure tactics were unheard of during that period.

It is observed that in the recent past, after the change in incentive structure and the announcement of incentives for SSP/SP and ASP/IP by the Directorate—despite their minimal or nil role in actual procurement and processing—the intensity of pressure on field staff has increased manifold. Targets such as “one crore premium in one day” are being fixed even at Sub-Division level, and staff, right from GDS to Group ‘C’ officials, are being subjected to severe harassment for procuring high-value, yearly and long-term premium policies.

In this context, a serious question arises as to whether these melas are being organized for the genuine benefit of the public and growth of PLI/RPLI, or primarily to enable certain officers to earn incentives. The workflow clearly establishes that the role of SSP/SP and ASP/IP from procurement of proposal to release of bond is virtually NIL. On the other hand, the BPM/SPM who mobilizes the proposal, the CPC PA who processes the case end-to-end, the APM (Accounts) who conducts quality checks, and the Postmaster who finally approves and releases the bond with hand signature are paid **ZERO** incentive.

Contrary to this, SSP/SP and ASP/IP, whose role is limited to monitoring mela arrangements and procurement figures, are paid incentives. For instance, when a target of one crore premium is fixed and achieved, the SSP/SP earns an incentive of Rs. 20,000 and the Sub-Division Head (provided he/she procures Rs. 25 lakhs) earns Rs. 17,500. This incentive structure itself is the root cause for relentless pressure and harassment imposed on GDS and Group ‘C’ staff for procuring high-value and long-term premium policies.

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Further, due to repeated melas and continuous administrative pressure, the quality of policies procured has deteriorated considerably. There are very few genuine policies. In most cases, premium payment is discontinued after one or two months. In many instances, proposal forms are collected and submitted merely for statistical purposes without proper supporting documents. Such proposals are eventually rejected by CPC during processing, but the figures are still taken into account for target achievement.

In view of the above, it is strongly felt that the existing incentive structure for PLI/RPLI requires urgent restructuring. Incentives should be paid only to those genuine officials who are actually involved in procurement, processing, quality checking, approval, and issuance of policies.

We once again humbly submit that torture in the name of targets must be avoided forthwith. Practices such as refusal of leave, threats of adverse APAR grading, threats in the name of Rule Transfer, issuing of charge sheets for non-achievement of targets, and giving unwarranted troubles to employees who lag behind in achievement should be strictly stopped.

Further, while fixing targets, instead of adopting mere mathematical calculations, due consideration must be given to area feasibility and the socio-economic background of the population. Fixing a one-crore target for a metropolitan city and fixing the same target for an office located in a hilly or tribal area is neither logical nor justifiable. Similarly, fixing identical individual targets for a PRI(P) and a counter clerk is wholly irrational and unacceptable.

It is also observed that some Division Heads are announcing and implementing local prize or incentive schemes for achievers, purportedly from the incentive amounts earned. Such practices appear to be aimed at procuring additional business to earn still higher incentives. This gives rise to serious concern as to whether the functioning of the Department is aligned with the norms of a government organization or is being driven like a private commercial or chit-fund-type enterprise. Such ad-hoc incentive schemes, devised and executed locally without statutory backing or uniform policy, are questionable in propriety and undermine the ethos of public service administration.

In view of the seriousness of the issue my federation request the authority to review/revise the incentive structure of PLI/RPLI immediately and also direct the HOC's not to hold frequent melas/meetings/Video Conferences by the lower level administration to avoid mental stress of the employees.

With respectful regards,

Yours Sincerely,

(SIVA) J VASIREDDY  
Secretary General

Copy to: The Member (PLI), Dak Bhawan, New Delhi for information and necessary immediate action.