Business Standard

Department of Posts invites applications for payments bank CEO position

The applicant is expected to have a minimum of 15 years of experience in financial services

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An employee at India Post's e-Commerce Parcel Processing Centre in Mumbai (pic: Kamlesh Pednekar)

India Post Payments Bank (IPPB) that has received in-principle approval by the banking regulator to set up payments banks has now started the hunt for the bank's chief. The company has invited applications via its website and advertisements in publications.

"IPPB invites applications from qualified candidates for the post of CEO/ MD who will be appointed at IPPB on a full time basis," said the application. The last date for sending the application via email has been set as 12th October and for physical submission of application the deadline has been extended by two days.

The applicant is expected to have a minimum of 15 years of experience in financial services (retail banking or electronic payment services or digital banking). And apart from this one is also expected to have a minimum of one year of experience at CXO level in retail banking (or) electronic payment services (or) digital banking.

Experts say that these requirements are in line with the nature of activities at payments banks that will be focused on the retail customers and will need to leverage digital technology to reach the unbanked customers. These payments banks will focus on the agenda of financial inclusion are allowed to provide small savings account and payments and remittance services. They are also allowed to accept deposits of up to Rs 1 lakh and can issue debit cards and offer internet banking but cannot lend.

In line with this the bank chief is expected to leverage the last mile connectivity of Department of Posts to drive financial inclusion, states the application. It also adds that the elected person will be responsible for building business partnership across sectors such as Telecom, Financial Services etc among other responsibilities.

The remuneration of the IPPB chief will be in line with compensation of MD of Public Sector Banks. The final selection will also be made by Bank Board Bureau, in line with recommendation for selection made at other PSBs that are also handled by BBB.

Earlier the government had announced that IPPB will have 650 branches all of which will be operational by March 2017. The cabinet had also approved that the IPPB will have100 per cent government equity and will have a total corpus of Rs 800 crore that will include Rs 400-crore equity and Rs 400-crore grant.