BANCASSURANCE: PROBLEMS AND CHALLENGES IN INDIA

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Abstract:

This paper attempts to explain the scope for bancassurance models and strategy as feasible source of fee-based, non-interest income. India has the largest banking network on one hand and lower insurance penetration and insurance density on the other hand. While analyzing the present trend on banks handling insurance products, it also highlights some of the likely issues in general as well as specific problems faced by banks, as result of which bancassurance has suffered.

The paper concludes by suggesting strategies and policies to make bancassurance a win-win situation for all the parties involved, the customer, the insurance companies and the banks.

Keywords: Transactional, Relationship based, Insurance Penetration, Co-branded Product.

Introduction:

Bancassurance is defined as the insurance distribution model where insurance products are sold through bank branch network. The presence of several banking groups as promoters of insurance companies is of great significance to this model. With a network of over 80,000 branches, spread across the length and breadth of the country, banks are having the necessary potential to make bancassurance the most efficient way to achieve financial inclusion in insurance sector also.

The bank customers with higher average premium per capita provide quicker means to grow for insurers. The complementary nature of insurance products towards the bank advances (e.g. credit life) provides synergies in operations to the entire financial sector. The ease of access to bank customers reduces servicing costs, contributes to lower lapsation of insurance policies and hence lower costs to the economy.

Banks see value in insurance business due to complementarity of products, fee income derived from the distribution of insurance and ease of recovery of advances in case of death of the borrower or destruction of properties. Several banks being promoters of the insurance companies also gain when valuation of those companies goes up due to synergies derived from bancassurance.

The growth of Bancassurance was phenomenal in initial years of opening. The premium collected through Bancassurance has gone up to Rs. 21947 crore in the financial year 2009-10 which is 7.31% of the total premium income of life and non-life insurance sectors. In the year 2009-10, the total compensation received by banks is approximately Rs. 2744 crore. There are 17 banks with shareholding in insurance companies. The total paid up capital infused by the banks as on 31.03.2009 was Rs. 3328.36 crore and as on 31.03.2010, it was Rs. 3735.31 crore. However the premium growth seems to have reached a plateau due to the inability of both banker & Insurance companies in exploiting full potential of bank customer profile. Not even 10% of the housing advances are covered either by credit life or mortgage insurance. This is of concern when we consider the low levels of insurance penetration in the country.

The reasons for such low utilisation of potential of bancassurance are manifold, principal ones being...
the monopolistic relations, low levels of training, lack of operational coordination, unequal relationship, short
duration of tie-ups, lack of specially designed products, non utilisation of technology platform and poor servic-
ing standards prevailing in bancassurance channel.

The banking regulator has set up enviable standards in customer servicing, redressal of grievances,
transparency in charges apart from stringent control over operational procedures. It is necessary to
provide similar set of standards in bancassurance business also.

This paper is presented in four sections, section I includes bancassurance in India and the need
for revenue generation through bancassurance. Section II is empirical research on bankers and the chal-
lenges faced in bancassurance. Section III dwells with the remedies and suggestion for bancassuarnce in
India. Concluding remarks are presented in section IV.

SECTION -I

The Need for Bancassurance in India:

By now, it has become clear that as economy grows, it not only demands stronger and vibrant
financial sector but also necessitates providing with more sophisticated and variety of financial and
banking products and services. Krueger (2004) pointed out that the history of the North America is a
case in reference of one of financial strengthening and deepening in tandem with economic growth. As
India is being considered one of the fast developing economy among the emerging market economies,
financial sector has also grown much vibrant with the financial reforms. In fact, in recent years, it is
surmised that even the ‘global economic growth’ hinges on growth prospects of the emerging economies
like China and India to a greater extent.

Significantly, Indian economy has recorded an average growth of over 7.5 per cent for the last
four years, with macroeconomic and financial stability (RBI, 2011) and indications are that it may grow
at even better rate in the near future provided there is good monsoon. Experience also showed that
economic growth had strongly supported the expansion of middle income class in most of the Asian
countries, and now it is the turn of India. Experience reveals that at the initial growing stage of the
economy the primary financial needs are met by the banking system and thereafter as the economy
moves on to higher pedestal, the need for the other non-banking financial products including insurance,
derivatives, etc., were strongly felt. Moreover, as India has already more than 200 million middle class
populations coupled with vast banking network with largest depositors base, there is greater scope for
use of bancassurance. For instance as at end March 2005, there were more than 466 lakh bank accounts
with scheduled commercial banks. It is worth being noted that, Swiss Re (2002) in its study on Asia
pointed out that bancassurance penetration is expected to tangibly increase in Asia over next 5 years and
this has been greatly proved by 2010.

In simple words, it is aptly put that bancassurance has promised to combine insurance companies’
competitive edge in the “production” of insurance products with banks’ edge in their distribution, through
their vast retail networks (Knight, 2006).

In the post reforms, the financial sector has more number of players of both domestic and foreign
and the dividing line between the banks and non-banking financial institutions’ activities had considerably
thinned down. Overlapping in one another’s functions/ areas has become more common than exception. The
direct upshot of these developments led to intensive competition in the banking sector which in turn had a strong bearing on the banks’ net interest margin (spread). In fact the emerging scenario is likely to bring down the banks’ spread even thinner Therefore, banks were compelled to be constantly on the lookout for a stable alternate source of earnings in the form of nontraditional and fee based sources of incomes.

Banks’ response to these developments has been to migrate towards newer and non-traditional areas of operations especially relating to fee based activities / non-fund based activities. This is reflected in the sharp increase of proportion of non-interest income to total income in recent years. Further, banking system in India was prone to very high NPAs; the net NPA ratio of banking sector was as high as 15.7 per cent at end-March 1997, which, with concerted efforts declined sharply to around 1.20 per cent by end-March 2006. Although this was an unprecedented achievement in the Indian banking industry, diversification towards new areas such as bancassurance, promises greater scope for further enhancement in earnings with no menace of increase in NPAs.

In the ensuing paradigm, the banking sector irrespective of public or private sector and foreign or domestic banks’, their increased reliance on the non-fund based business activities would become inevitable.

Persistent endeavor in scouting for new technology, new products/services/ new avenues, has become necessary for the growth as well as sustainability of banking system. It is in this context possibly, bancassurance could well be an appropriate choice for banks to increase their stable source of income with relatively less investments in the form of new infrastructure.

As far as banking sector’s infrastructure is concerned, only a few countries could match with India for having largest banking network in terms of bank branches spreading almost throughout the length and breadth of the country. This is a direct outcome of the then prevailing deliberate policy thrust towards branch expansion. At end-March 2006 as many as 284 scheduled banks, of which 88 are commercial banks and 196 are Regional Rural Banks (RRBs). There are as many as 70,324 bank offices, of which, nearly 70% of the branches are located in rural and semi urban areas and the remaining around 30% are in urban and metropolitan areas. The population served by a bank office worked out to be around 16000 people at end-March 2006. Besides the commercial banking system, India has large rural credit cooperatives as also urban cooperative banking network. Taken together these institutional set up, the ratio of population served by a bank branch would work out to be far lower. Thus, on the one hand we have a very low insurance penetration.

The Indian economy, at the present juncture, finds itself in a tight spot. Both domestic and global factors have contributed to the slowdown of the economy. How have banks performed in this macro environment? Recently, the banks announced their business and financial performance in the second quarter of 2011-12. Among other things, an elevated interest rate environment and the move towards system-based recognition of NPAs (non-performing assets) are the two major factors which have a direct bearing on the performance of the banks.

In this backdrop, how the macro and bank-specific factors have played out in influencing the performance of banks in the second quarter would be of interest. The study considers the nationalised banks (NBs) which account for almost half of the assets of the banking system, and the same has been depicted in table 1.
Business Mix:

The business mix of the NBs has improved significantly in the second quarter on a sequential basis — in the September quarter over the June quarter (3.2 per cent) as compared to in the June quarter over the quarter ending March 2011 (0.5 per cent).

It is also observed that asset quality represented through both the gross and net NPAs in absolute as well as in percentage terms have deteriorated for NBs in the September quarter on a sequential basis. While the gross NPA percentage increased by 17 basis points (100 basis points equal one percentage point) in the June quarter, it increased by 26 bps in the September quarter. However, the RoA (return on assets) and cost-to-income ratio for NBs have improved in the September quarter.

An improvement in RoA, the summary account of the performance of the NBs, however, may not portray the correct picture as it could mask the stark difference in the performance across different NBs. To have a comparative sense of the performance across NBs, two categories of them based on their business mix are considered.

The average business mix of the 19 NBs, excluding IDBI Bank, was 2.7-lakh crore as on March 2011. Six banks had a business size more than the average, which constitute the group of large banks, and the rest 13 constitute the group of small banks that had a business size lower than the average.

One way of gauging performance of a going concern in a particular time period is to compare it with the corresponding period of the previous year. However, year-on-year comparisons would make better sense for annual data than quarterly data. For quarterly data, it is easier to relate to what had happened in the previous quarter than three quarters back.
Using y-o-y figures for quarterly data is akin to setting the reference period for comparison to a four-year back period for annual data. As such, we consider how the two categories of banks have performed in the second quarter on a sequential basis.

**Credit, deposit growth:**

Both the large and small banks witnessed better growth in resource mobilisation as well as utilisation in the September quarter on a sequential basis. In terms of deposits, the growth for large banks was 3.2 per cent and 4.1 per cent for the small banks on a sequential basis. Advances growth was only 2 per cent for the large banks and 3.1 per cent for the small banks. This can be compared with a growth of 1.4 per cent and -0.03 per cent in deposits and -0.6 per cent and 1.1 per cent in advances for the large and small banks, respectively, in the June quarter. As we can see, the growth in deposits was much higher than that in advances. Thus, the fall in C-D ratio for both the small and the large banks has been of a lower magnitude in the September quarter over the June quarter.

**Interest income, expenses:**

The growth in interest income as well as interest expenses slowed for both categories of banks in the September quarter. However, the deceleration was more on the expenses front. As such, NII grew significantly for both categories of banks. The robust growth in NII had a positive impact on the NIM. Unlike in the June quarter, when NIM of both small and large banks declined compared to the quarter ended March 2011, NIM of both categories of banks improved in the Sep quarter. The degree of improvement for the large and small banks was also of the same order of around 15 bps.

Looking at the individual bank numbers, except two banks in the smaller category; all other banks reported an increase in NIM in the second quarter on a sequential basis. As we know, NIMs are influenced by a host of factors, including the extent and periodicity of increase in rates, maturity profile of deposits and the relative growth of advance vis-à-vis deposits.

The improvement in NIMs was possible because banks have not been too aggressive in increasing their deposit rates notwithstanding the increase in policy rates as deposit growth has been relatively higher than credit growth in the September quarter.

The large banks reported significant growth in the non-interest income in the September quarter on a sequential basis. While all the six banks in this category reported a drop in non-interest income in the June quarter over the March quarter.

**Non-interest income:**

In the September quarter only one bank reported a drop in non-interest income over the June quarter. Compared to a drop of 25 per cent in the June quarter, there was a growth of 12 per cent in the non interest income for the large banks as a group. In contrast, the growth in non-interest income for the small banks was only 0.3 per cent in the September quarter.

Nine banks reported a drop in non-interest income both in the June and September quarters in the small bank category. Though non-interest income is a composite category, its core component has a correspondence with the credit business. As such, the relatively higher credit growth of big banks in the second quarter from negative growth in the first quarter would have contributed to their core fee income.
The recovery from written-off accounts has also increased significantly for a number of large banks, contributing to their non-interest income.

The cost-to-income ratio has improved sequentially both in the June and the September quarters compared to the March quarter for both categories of banks and now this ratio is almost similar for both categories of the banks at around 43.5 per cent.

However, if we see the improvement in operating efficiency over the last two quarters, it has been quite significant for the large banks.

The improvement is attributable partly to the robust growth in non-interest income and to the high base effect. However, looking at individual bank numbers, as many as three banks in the large bank category and four banks in the smaller category have reported deterioration in this ratio in the September quarter over the June quarter.

NPA trend:

The large banks started with a lower percentage of gross NPA (1.84) than the smaller banks (1.97) in the quarter ended March 2011. In the subsequent two quarters, the gross NPA percentages have increased for both categories of banks but the rise has been more pronounced for the large banks.

For the September quarter, the gross NPA percentage for the large and the small banks was observed at 2.44 per cent and 2.32 per cent respectively. Seen in absolute terms, the gross NPA has increased by 7.6 per cent and 2.8 per cent in the Sept quarter over the June quarter for the large and the small banks respectively. This is on top of a growth in absolute NPA of 4.1 per cent and 8.6 per cent in the June quarter over the March quarter for the large and the small banks respectively.

Return on assets:

If we consider the RoA figures for the quarter ended March 2011, we find that the large banks reported significantly higher numbers (1.01) than the small banks (0.82). Moving forward, RoA fell markedly for the large banks to 0.86, whereas for the small banks as a group it improved a tad to 0.83 in the June quarter. In the September quarter, RoA of the large banks as a group declined marginally (0.85) whereas small banks as a group (0.86) reported marginal improvement.

The big banks suffered a major deterioration in their NPAs in the September quarter. It is the improved NIMs, better growth in business and improved performance on the non-interest income front which has protected their RoA levels. The small banks were also affected by the NPA problem but to a lesser degree.

It is the restrained growth in operating expenses and robust growth in business which helped them to marginally improve their RoAs.

While the Finance Ministry, as the owner, had asked the NBs to migrate to system recognition of NPAs by September 31, 2011, the RBI, as the regulator, has given time till October 31, 2011. Some banks have reported compliance to the direction of the Finance Ministry and quite a number of banks are yet to fully migrate to the new system.

Though a number of banks have reported higher NPA numbers post-migration, it has created the necessary sensitisation about recovery and one would expect better performance on the NPA front for these banks in the subsequent quarters of 2011-12. For those banks which are yet to migrate, time to swallow for the bitter pill has come.
Business per Employee:

In India, banks are of different sizes. These banks, irrespective of their size, have diversified into many new activities such as merchant banking, insurance and several other fee based activities. The business measured in terms of deposits plus credit per employee of commercial banks in India increased by more than eleven times from 46.66 lakh in 1991-92 and 5.12 crore in 2008-09. The rise in business per employee was observed across all the bank groups. The growth in business per employee was more pronounced for public sector banks and old private sector banks compared with other bank groups, due to their very low base during the early 1990s. However, despite this increase, productivity of these bank groups was still less than half of that enjoyed by foreign and new private sector banks.

During 2008-09 and 2009-10, business per employee was the highest for foreign banks, followed by new private sector banks, nationalised banks, old private sector banks and State Bank group.

This clearly suggests that these banks have a lot of catching up to do on the productivity front. They would also be well advised to allocate a greater share of their resources to bancassurance activities since these banks are ideally positioned to leverage on their existing clientele for distribution of insurance products at a negligible additional cost.

SECTION-II

Primary Research Findings:

The purpose of this study is to investigate the impact of bancassurance in India and based on the findings to suggest the way forward for both banks and insurance companies. The primary data were collected through a survey conducted in and around Kolkata. Additionally discussions and interviews were conducted with officials from banks and insurance companies in public sector, private sector and banks tied up with insurance companies for selling co-branded product.

The responses of the survey were analyzed and inferences were drawn on the basis of primary result. The issues and problems of bancassurance have been identified and appropriate recommendation have been made to resolve issues and deficiencies so that future functioning of bancassurance in various public sector banks could be made effective.

Around 350 respondents from large public sector banks and insurance companies were interviewed. Simple convenience random sampling method was used. The result of the research is given below.

Primary Research Findings: The various issues and problems as mentioned by the respondents are given below in the table 2. The right hand side column indicates the percentage of respondents who subscribe to the problem areas in bancassurance.
Table 2: Issues and Problems Faced by Respondents

<table>
<thead>
<tr>
<th>Issues and Problems faced by respondents</th>
<th>% of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absence of posters and communication on bancassurance</td>
<td>34</td>
</tr>
<tr>
<td>Absence of brochure on bancassurance policies, rules and procedures</td>
<td>38</td>
</tr>
<tr>
<td>Lack of updates on product knowledge, product training and product awareness</td>
<td>90</td>
</tr>
<tr>
<td>Lack of interest and motivation amongst bank staff in promoting bancassurance</td>
<td>92</td>
</tr>
<tr>
<td>No mention of bancassurance at contact point counters like advances, fixed deposit counters and new account opening counters</td>
<td>85</td>
</tr>
<tr>
<td>No sharing of commission as incentives to bankers</td>
<td>60</td>
</tr>
<tr>
<td>The rates of premium for bancassurance are not competitive</td>
<td>65</td>
</tr>
<tr>
<td>Corporate clients have affinity towards international insurance company</td>
<td>35</td>
</tr>
<tr>
<td>Absence of new product, better technology and diversified insurance product for car, house and property</td>
<td>50</td>
</tr>
</tbody>
</table>

SECTION III

Effective Bancassurance Strategy:

Persistent endeavor in scouting for new technology, new products/services/new avenues, has become necessary for the growth as well as sustainability of banking system. It is in this context possibly, bancassurance could well be an appropriate choice for banks to increase their stable source of income with relatively less investments in the form of new infrastructure. As far as banking sector’s infrastructure is concerned, only a few countries could match with India for having largest banking network in terms of bank branches spreading almost throughout the length and breadth of the country.

Above all, in India still vast majority of banking operations are conducted through the manual operations at the banks’ branch level with relatively less automation such as ATMs, tele-banking, internet banking, etc., unlike many developed countries. This stands out as an added advantage for the banks to have direct interface with the customers, to understand their needs/tastes and preferences, etc., and accordingly customize insurance products. In fact there is also greater scope for innovation of new insurance products in the process. Bancassurance would therefore be uniquely suited to exploit the economies of scope for the banks in India. Bancassurance also becomes a blessing in disguise from the point of view of CRAR. Significantly, even customers stated to prefer for banks entering into insurance. For instance, a Capital to Risk (Weighted) Assets Ratio (CRAR) survey conducted by FICCI revealed that 93 per cent of the respondents have preferred banks selling insurance products. Therefore
bancassurance can be a feasible activity and viable source of additional revenue for the banks. The difference in working style and culture of the banks and insurance sector needs greater appreciation. Insurance is a ‘business of solicitation’ unlike a typical banking service, it requires great drive to sell/ market the insurance products. It should, however, be recognized that ‘bancassurance’ is not simply about selling insurance but about changing the mindset of a bank. Moreover, in India since the majority of the banking sector is in public sector and which has been widely disparaged for the lethargic attitude and poor quality of customer service, it needs to refurbish the blemished image. Else, bancassurance would be difficult to succeed in these banks.

Figure 1: Bancassurance Sales Model

CLOSING the SALE

<table>
<thead>
<tr>
<th>Transactional</th>
<th>Relationship-based</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Closer (simply sells features of the policy itself)</td>
<td>Close</td>
</tr>
<tr>
<td>“Analysis”</td>
<td>Presentation of Analysis</td>
</tr>
<tr>
<td>Fact-Find</td>
<td>Quality Fact-Finding</td>
</tr>
</tbody>
</table>

Little Time spent Fact-Finding

Comprehensive needs analysis preceded by an depth fact-finding

The “transactional” sales person “sells” …while the relationship based financial professional “helps customers buy”

(Adopted from sales Model of John Lenzi, VP sales, Impact Technologies)

Based on the above discussion and the primary research findings a Bancassurance Sales Model is suggested (figure 1). The model is an honest finding that bancassurance sales model is different because here the customer has to be informed why his purchase of insurance is important for him. The model also addresses the basic problem of bancassurance, i.e. failure in establishing a relationship

- The ‘transactional’ sales person - illustrated on the left in the above pyramid - short changes the sales interview during the fact-finding phase.
- Consequently, the amount of time needed in the “close” phase is a great deal more than the ‘relationship based’ sales person.
- The financial professional illustrated on the right in the above pyramid is a relationship-based sales person who spends sufficient time in the fact-finding phase getting to know the client’s dreams, goals, and desires – along with the financial position of the client.
- This style sales process will almost always lead to a higher closing ratio, better persistency, an easier time closing the sale, result in quality referrals and repeat or multiple product sales.
CLOSING THE SALE:

Basically, there are two types of agents when it comes to closing the sale.

- The Quality Fact-Finding Agent Uncovers and Creates the Need.
- The Product Closer (simply sells features of the policy itself).
- The “transactional” sales person “sells” … while the relationship based financial professional “helps customers buy”.

In bancassurance the relationship based sales model is effective and this papers also subscribe to the same school of thought.

Likely Benefits of Bancassurance: The question that arises why should customer go for bancassurance and how bancassurance is likely to benefit the bank Customers:

Benefit to Customers:

- They can obtain a basket of products under one roof
- They get risk coverage at bank itself
- Availability of advices on financial planning
- Opportunity to make better informed choice in financial matters like selection of insurance cover
- Ease of renewals through of executing standing instructions

Benefits to Insurance Company:

- Captures premium of bank financed assets
- Greater geographical reach through banks’ network at relatively lower cost
- Access to banks customers
- Gaining credibility in customer mindset by associating with bank
- Ease of renewals and lower lapse incidence
- Potential for cross selling
- Potential for up-selling including depth and width
- Selling personal lines of insurance products to banks, depositors and other customers
- Introducing co-branded products like Fire Policy for Home Loans
- Attracting walk-in customers in bank network

Benefits to Banks:

- Bank get more non interest income
- Bank gets New customers and better penetration in existing customer base
- Increased association with the bank
- Branch achieves profitability target

Bank Insurance Model allows the insurance company to maintain smaller direct sales teams as their products are sold through the bank to bank customers by bank staff. Bank staff and tellers, rather than an insurance salesperson, become the point of sale/point of contact for the customer. Bank staff are advised and supported by the insurance company through product information, marketing campaigns and sales training.

The concept combines banking and investment management services with the sophisticated use of insurance as a financial planning structure to achieve fiscal advantages and security for investors and their families.
SECTION-IV

Conclusion:

The success of bancassurance greatly hinges on banks ensuring excellent customers relationship; therefore banks need to strive towards that direction. As pointed out by Low (2004), the changing mindset is cascading through the banking sector in India and this would be a right time for banks to resorting to bancassurance, especially in the context of proactive policy environment of regulatory authorities and the Government. The fact that the banking operations in India, unlike in other developed countries, are still branch oriented and manually operated vis-à-vis highly mechanized and automated banking channels, viz., internet banking, ATMs, etc. are all the more conducive for flourishing of bancassurance. Regulators could explore the possibility of allowing banks having tie-up arrangements with more than one insurance company, giving wider choice for the customers. In addition to acting as distributors, banks have recognised the potential of bancassurance in India and will take equity stakes in insurance companies, in the long run. This is somewhat similar a trend observed in the United Kingdom and elsewhere where banks started off as distributors of insurance but then moved on to the fully owned insurance subsidiaries. Going by the present pace, bancassurance would turn out to be a norm rather than an exception in future in India. Supervisory concerns as pointed out earlier could best be tackled by way of closer and systematized coordination between the respective supervisory authorities. There needs to be a clear cut identification of activities between banking and insurance at the institution’s level as also at the level of regulators. Adequate training coupled with sufficient incentive system could avert the banks’ staff resistance if any. In sum, bancassurance strategy would be a ‘win-win situation’ for all the parties involved - the customer, the insurance companies and the banks.

The most immediate advantage for customers is that, in insurance business the question of trust plays a greater role, especially due to the inbuilt requirement of a long term relationship between the insurer and the insured. In India, for decades, customers were used to the monopolistic attitude of public sector insurance companies, despite there were many drawbacks in their dealing, they enjoyed customer confidence, this trend continues even now mainly due to their government ownership. The customers to move over to private insurance companies that are collaborated with foreign companies which are less known to the Indian public would take little more time. The void between the less known newer private insurance companies and the prospective insured could be comfortably filled by the banks because of their well established and long cherished relationship. Under these circumstances, any new insurance products routed through the bancassurance channel would be well received by the customers. Above all, in the emerging scenario, customers prefer to have a consolidation and delivery of all financial services at a single window in the form of ‘financial supermarket’, irrespective of whether financial or banking transactions, because such availability of wide range of financial/ banking services and products relieves the customers from the painstaking efforts of scouting for a separate dealer for each service/ product. Even internationally, the trend is towards the ‘one-stop-shop’. Customers could also get a share in the cost savings in the form of reduced premium rate because of economies of scope, besides getting better financial counseling at single point. Even in the case of developed countries the financial literacy and financial counseling has been increasingly stressed in recent years, these become essential especially when decision involves long term investments. In India, recently Reddy (2006) has been emphasising on the importance and necessity for financial counseling and financial literature. In that context too the bankers are better placed in extending such counseling or financial advises to the customer because of their well established long cherished relationship. The relationship between insurer and insured and bank and its client...
are different, the former involves taking decisions for long term parting of money, in such cases counseling is necessary, here too the bancassurance can be of reassuring for the customer.

References:
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