



A POWERFUL TOOL

for Inclusion, Risk Mitigation, and Resilience

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Managing Director and CEO, Dhaka Bank

The Daily Star (TDS): What is the rationale behind your bank's interest in entering the bancassurance sector alongside its existing financial services?

Sheikh Mohammad Maroof (SMM): Dhaka Bank views bancassurance as a transformative extension of our financial services that will enhance profitability, deepen customer engagement, and align us with the future of inclusive financial ecosystems. The rationale is grounded in three core dimensions:

Strategic diversification: In a competitive and margin-sensitive banking environment, bancassurance allows us to unlock new income streams by monetising our large customer base through insurance partnerships.

Financial inclusion: Bancassurance empowers us to address critical gaps in insurance access, particularly for retail, SME, and rural segments, who have historically been under-protected.

Alignment with national goals: As Bangladesh pursues broader socio-economic advancement, improved insurance penetration complements sustainable development, health security, and financial resilience.

Through bancassurance, we aim not only to expand our service portfolio but also to support national priorities in risk protection and long-term financial

planning.

TDS: What types of insurance products do you plan to offer through bancassurance partnerships?

SMM: Dhaka Bank plans to offer a broad spectrum of both life and non-life insurance products, structured around the needs of individuals, SMEs, and rural clients. These include:

Life Insurance: Term life (for loan/mortgage protection), endowment and whole life (for savings and future planning), and credit life (linked to loans).

Health Insurance: Critical illness coverage, hospitalisation benefits, and supplemental health plans.

Property & Casualty (P&C): Home and auto insurance, tied to mortgages and vehicle financing.

Microinsurance: Simplified, affordable plans for low-income populations (e.g., crop, livestock, or loan-linked coverage).

Travel Insurance: For short-term trips, integrated with credit card and booking services.

We will integrate these products seamlessly with banking solutions—for example, life insurance with mortgages or auto insurance with car loans—enhancing relevance and ease of adoption. Personalisation using data analytics and a digital-first customer

journey will be at the core of our approach.

A dedicated Bancassurance team has already been formed, combining expertise from both the banking and insurance sectors to ensure strategic rollout, customer service excellence, and operational compliance.

To ensure that customers fully understand product terms, conditions, and exclusions, we are adopting a multi-layered approach:

Clear communication: Pre-sale disclosures in plain language, visual summaries of benefits, exclusions, and pricing.

Staff training: A strong focus on ethical selling and customer-first advisory.

Customer education campaigns: In-branch, digital, and community-based initiatives to promote insurance literacy.

Ongoing support: Dedicated helpdesks and after-sales follow-up to address customer concerns.

TDS: What systems or processes will be implemented to handle insurance-related complaints?

How will you ensure compliance with the regulatory frameworks of both Bangladesh Bank and the Insurance Development and Regulatory Authority (IDRA)?

SMM: We are implementing a robust, tech-enabled complaints management

system to handle insurance-related grievances. Key components include:

A clearly defined bancassurance complaints policy.

A centralised, digital complaints handling platform.

Multiple channels for complaint submission: call centre, email, website, mobile app, and in branch.

A trained, dedicated complaints resolution team, aiming for resolution within 48 to 72 hours.

On the compliance front, we fully recognise the dual oversight by Bangladesh Bank and IDRA. We are establishing a structured and transparent compliance management framework that integrates regulatory governance, robust internal control mechanisms, continuous staff training, periodic audits, and the digital tracking of compliance KPIs.

TDS: How do you view the future of bancassurance in Bangladesh, and what role do you foresee your bank playing in its development?

SMM: The future of bancassurance in Bangladesh is promising and transformative. With insurance penetration below 1% of GDP and over 170 million mobile subscribers, there is enormous scope for tech-enabled, customer-centric insurance distribution.

As financial literacy grows and consumers seek bundled, convenient financial solutions, bancassurance is poised to become a cornerstone of retail financial services.

Key trends shaping the future include:

Increased demand for health and life protection post COVID.

Growth of microinsurance for rural and underserved populations.

Rising need for insurance in trade, logistics, and SME sectors.

Dhaka Bank envisions playing a pioneering role in this evolution. We aim to:

Partner with reputable life and general insurers.

Expand insurance offerings across our digital and physical channels.

Leverage our nationwide footprint for inclusive distribution.

Bundle microinsurance with savings and credit for the unbanked.

We do not see bancassurance as merely an additional revenue line. We see it as a powerful tool for financial inclusion, risk mitigation, and national resilience.

Dhaka Bank is committed to shaping the bancassurance ecosystem in Bangladesh—as a distributor, educator, innovator, and enabler of responsible insurance access for all.

SMART CHOICES IN BANCASSURANCE

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said Md Ashanur Rahman, DMD, Chief Economist & Country Business Manager, City Bank. “Moreover, our SME and remittance beneficiary loan products provide life insurance coverage of up to BDT 10 lacs, underwritten by Guardian Life Insurance and Delta Life Insurance.”

Life insurance plans like BRAC Bank's Future Star ensure that even in the absence of parents, a child's education never comes to a halt. “Our primary focus is on life insurance products—such as credit life, term plans, and savings-linked policies,” added Mahbubur Rahman, Chief Bancassurance Officer at BRAC Bank.

Midland bank has introduced short-term money-back plans and long-term life policies that combine financial protection, savings, and attractive bonus benefits - ensuring both security and future planning for the customers and their families.

Prime Bank also offers life insurance services through their partner National Life Insurance. “We have already introduced an affordable short-term life insurance product in the Market-Prime Life. This product is providing life insurance coverage for one year from as low as BDT 345,” noted M. Nazeem A. Choudhury, Deputy Managing Director, Prime Bank.

More institutions like Dhaka Bank and Trust Bank are planning to launch bancassurance soon, with primary focus on life insurance products. In this regard, Ahsan Zaman Chowdhury, Managing Director & CEO of Trust Bank commented, “Initially, Trust Bank will offer life insurance, health insurance, and personal accident coverage through partnerships with reputable insurance providers.”

If you're considering life insurance through bancassurance, start by checking with your bank to see if they already offer suitable plans or have any upcoming launches in the pipeline. Today, banks and insurance companies are collaborating more closely than ever to simplify life insurance products that were once overly complex or mismatched with the financial realities of everyday customers—making protection easier to understand and accessible for all.

Other general insurance options for every situation

General or non-life insurance products offer essential protection for the things that matter most in your daily life—your health, home, car, business, and more. These plans are designed to shield you from unexpected financial losses due to accidents, natural disasters, or other

unforeseen events.

Recognising this need, bancassurance offerings are now providing personalised non-life insurance plans designed to fit your lifestyle, needs, and the unexpected moments life throws your way. “Our products are tailor built to satisfy the customers' needs i.e., Pension for Old Age, Children's Education, Hajj and even for Den-Mohor. We offer both conventional and Takaful Insurance for our customers,” said Choudhury from Prime Bank.

Beyond these, a wide range of additional coverage is also available through bancassurance, ensuring all aspects of life are well protected under one roof. M Khorshed Anowar, Deputy Managing Director at Eastern Bank, noted that their non-life portfolio includes motor, health, and travel insurance.

Further expanding on this, Zaman from Midland Bank said, “In non-life insurance, we are authorised to provide Motor, Travel, Agricultural, and Crop Insurance. Initially, Motor and Travel Insurance are being offered through our partnered companies. We will introduce the others gradually.”

These non-life insurance coverages act as crucial safety nets, protecting both your well-being and your wallet. Health insurance, in particular, has become a smart necessity amid rising medical costs and limited public healthcare services.

As Md Ashiq Iqbal, Social Policy & Economic Specialist at UNICEF, pointed out, “Per capita public health expenditure in our country is just BDT 1,326 (FY23), with out-of-pocket spending as high as 70%, indicating heavy reliance on private healthcare.” In such a scenario, having health coverage isn't just wise—it's essential.

Bancassurance is rising to meet this growing demand. Choudhury from Prime Bank shared, “We plan to offer health insurance, which is a highly need-based product designed to safeguard the health and financial security of families.”

Other banks are also gearing up to expand their non-life insurance offerings. BRAC Bank shared their future plan of expanding bancassurance to provide more general insurance options, as Mahbubur Rahman said, “We're actively exploring general insurance offerings like health and motor insurance as part of our future roadmap.”

Ashanur Rahman from City Bank echoed a similar goal, saying, “By the end of this month, we will expand our portfolio to include motor insurance, offered through our partnership with Reliance Insurance Limited.

