



Ref No. IRDAI/BRK/ORD/MIS/004/01/2018

09.01.2018

**ORDER**

Of The Insurance Regulatory And Development Authority Of India Under  
Section 14(1) Of IRDA ACT, 1999

In the matter of M/s Atkins Special Risks Ltd, UK, International Reinsurance Broker.

1. M/s Atkins Special Risks Ltd, United Kingdom (herein after referred to as 'ASR') having its registered office at 62 Wilson Street, London, EC2A 2BU, United Kingdom is a UK based company, specialized in broking special risks insurance and reinsurance with core competency in marine and energy. ASR is being represented by Mr. Graham J Atkins\_(herein after referred to as 'Mr. Atkins'), Managing Director, ASR.
2. ASR filed a W.P. No 27220/2017 in the Hon'ble High Court of Telangana and Andhra Pradesh, Hyderabad regarding a complaint dated 11.08.2015 made to Insurance Regulatory and Development Authority of India (herein after referred to as 'Authority'), against M/s Marsh India Insurance Brokers Pvt Ltd (herein after referred to as 'Marsh').
3. The Hon'ble High Court disposed the petition vide order dated 19.09.2017, directing the Authority to consider the complaint of ASR by following the due process as expeditiously as possible.
4. Facts in the complaint.
  - 4.1 ASR was a reinsurance broker for M/s Jagson International Ltd, India (herein after called as 'Jagson') and obtained international reinsurance cover for Jagson from 2002 to 2012. ASR arranged this reinsurance every year with a brokerage of 27.5% of the premium that was paid for the cover. It was stated that in April, 2010 Mr. Jagdish Pershad Gupta (herein after referred to as 'Mr. Gupta'), Chairman, Jagson asked Mr. Atkins to share ASR's brokerage fee with him in order for ASR to retain Jagson's business, which was refused by Mr. Atkins. ASR lost its reinsurance broking business pertaining to Jagson from 2012. Aggrieved by this ASR filed a complaint against Marsh to Authority vide complaint dated 11.08.2015.

ASR in its complaint alleged that Marsh has made an unlawful payment to Mr. Gupta to secure Jagson's business with respect to this reinsurance policy.

- 4.2 The Authority while considering the complaint has granted an opportunity to Mr. Atkins vide Authority letter dated 03.11.2017 to make a personal hearing to the Authority with regard to the complaint of ASR.
5. Mr. Atkins attended the meeting held on 16.11.2017 at 11:00 A.M. at the Office of the Authority, 3<sup>rd</sup> Floor, Parishram Bhavan, Basheerbagh, Hyderabad. Hearing was chaired by Mr. P.J. Joseph, Member (Non-Life). On behalf of the Authority Mr. Randip Singh Jagpal, CGM (Intermediaries) and Mrs. V. Anasuya, OSD (Intermediaries) were also present in the personal hearing.
6. The submissions made by Mr. Atkins during the course of personal hearing have been considered by the Authority, and on that basis the conclusion arrived at by the Authority and the decision thereon is as follows:

6.1 Submissions made by Mr. Atkins:

Mr. Atkins submitted that he was contacted by Gupta in 2010 for the insurance coverage of 3 more oil rigs and asked him to share the insurance brokerage, which he has refused.

Mr. Atkins alleged that Marsh might have shared the brokerage to Mr. Gupta either by crediting the amount in his personal account in HDFC in the year 2013 and ensuing years or channelized through M/s Safeway Insurance Brokers.

Mr. Atkins submitted that there was specific breach of regulations, namely Section 41 of Indian Insurance Act, 1938, which deals with "Prohibition of Rebates".

6.2 Observation of the Authority:

Mr. Atkins has not submitted any documentary proof in support of his submission/allegation that Mr. Gupta has asked him to share the insurance brokerage.

Mr. Atkins was not clear as to how the brokerage was shared with Mr. Gupta by Marsh and he stated that he has only circumstantial evidence to state that brokerage was shared in 2013 and no evidence in support of his contention was submitted by him in this regard.

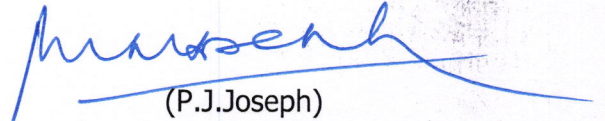
Mr. Atkins has not furnished any material information or evidence in support of his submission regarding breach of Insurance Act.

6.3 Decision:

Considering the submission of Mr. Atkins and lack of any evidence substantiating the complaint, it is established that no proof or evidences are brought in by Mr. Atkins to prove his allegations against M/s Marsh and Mr. Gupta. In this circumstances the Authority cannot proceed further with the complaint of ASR and accordingly the complaint is disposed of.

Place: Hyderabad

Date: 9<sup>th</sup> January, 2018



(P.J. Joseph)

*ru* Member (Non-Life)