



Ref: IRDA/TPA/WRN/ORD/045/03/2015

FINAL ORDER

In the matter of M/s Genins India TPA Limited.

This is based on reply to Show Cause Notice, dated 27-05-2014 which was submitted in response to Authority Notice to Show Cause Ref. No. 20/TPA-Genins/Vol. IV dated 20-05-2014.

A Notice to Show Cause (SCN) on observed deficiencies in the functioning of licensed TPA namely; Genins India TPA Limited (Genins TPA / the TPA) was issued. It is noted that Genins TPA has not sought for any opportunity to hear them. It is therefore, concluded that the TPA concerned is not exercising the opportunity given by the Authority.

The submissions made by the TPA in their written replies to Show Cause Notice issued by the Authority were taken into account.

The findings on explanation offered by Genins TPA to the issues raised in the Show Cause Notices and the decisions are as follows;

1. Charge No. 1:

Mr. Mahabir Prashad Gupta (MP Gupta), is a Promoter, Shareholder and Director of Genins India TPA Ltd. (Genins TPA) and also Director of following three companies namely, i) Alankit Assignments Ltd., ii) Alankit Imaginations Ltd. and iii) Alankit Finsec Ltd. (herein after referred as 'Alankit Group Companies').

The said fact that, Mr. M.P. Gupta, Promoter, Shareholder and Director of Genins TPA and also Director of Alankit Group Companies, was not disclosed to the Authority during the process of renewal of TPA license no. 20 of the TPA Company for the period from 11-06-2011 to 10-06-2014.

2. Charge No. 2:

Mr. Mahabir Prashad Gupta (MP Gupta), is a Promoter, Shareholder and Director of Genins TPA and also Director of following three companies namely, i) Alankit Assignments Ltd., ii) Alankit Imaginations Ltd. and iii) Alankit Finsec Ltd. (herein after referred as 'Alankit Group Companies').

The said fact that Mr. M.P. Gupta, Promoter, Shareholder and Director of Genins TPA and also Director of Alankit Group Companies is not disclosed to the Authority during the process of renewal of TPA license no. 20 of Genins TPA for the period 11-06-2011 to 10-06-2014.





Genins TPA during the process of renewal of TPA license no. 20 for the period 11-06-2011 to 10-06-2014 and vide point no. 7 of letter dated 20-06-2011 had given wrong / misleading undertaking to the Authority about engagement in any other insurance or insurance related activity(s).

It is evident from the above that previous renewal to Genins TPA was granted on the basis of misrepresentation of facts.

This is not a professional manner of dealing with the matters of Regulatory Compliance issues. Further Genins TPA failed to submit true and correct statement(s) to the Authority.

3. Charge No. 3:

The Authority vide point no. 4 of letter Ref.: No.20/TPA-Genins/Vol.IV dated 30-08-2013, had requested to submit some information about promoters / directors / shareholders of Genins TPA. The TPA vide letter dated 09-09-2013 had submitted PAN details of Mr. Vinod Gupta s/o Ved Prakash Gupta, Director of Genins TPA. As per the TPA submission PAN of Mr. Vinod Gupta s/o Ved Prakash Gupta was 'AAHFV1970Q'. Whereas, as per Income Tax Authority records the said PAN 'AAHFV1970Q' pertains to 'Vinod Krishna & Associates'

Thus it is evident that Genins TPA had submitted wrong / misleading information to the Authority. This is not a professional manner of dealing with the matters of Regulatory Compliance issues. Further the TPA failed to submit true and correct statement(s) to the Authority.

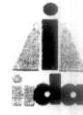
Violation noted for Charge nos. 1 to 3:

Reg. 21 (1) to be read with Reg. 25 (3) of IRDA (TPA – Health Services) Regulation, 2001

Reply of Genins TPA (for Charge Nos. 1 to 2):

M/s. Alankit Assignments Ltd., a company engaged in share broking, issuance of PAN/TAN/AADHAR cards etc. was planning to go for an IPO. The promoters of M/s. Alankit Assignments Ltd. requested Mr. MP Gupta to join their Board as an Independent Director in view of Mr. Gupta's qualifications and experience.

About non-disclosure of facts that Mr. MP Gupta, Genins TPA has accepted that it is their mistake.



Reply of Genins TPA (for Charge Nos. 3):

Mr. Vinod Gupta had initially obtained PAN AAHFV1970Q as Proprietor of 'Vinod Krishna & Associates.' On enquiring from him, he has advised that due to induction of partners in this firm, he has obtained another PAN in this own name.


Decision (Charge No. 1 to 3) :

The issue of deficiency is the presence of director who is holding interest or similar position in another licensed TPA, also non submission of such disclosure to Authority.

Genins TPA admitted to the deficiency but submitted that the intention was to have a knowledgeable person in the field as an Independent Director.

In view of the above and submissions made by the Genins TPA, the charges are not pressed. However, the licensed TPA is cautioned severely for such lackadaisical approach to their Regulatory Compliances. Any further recurrence of regulatory deficiency will be viewed seriously.

Place : Hyderabad
Date : 12-03-2015


M. Ramaprasad
Member (Non-Life)