

- The entire database including the claim details of the policies, where the policyholders has opted for portability, shall be shared with their counterparts, if requested by the counterpart within seven working days of such request by the counterpart.
- All applications for portability shall be acknowledged by the insurers within three working days.

Food coupons issued by LIC for employees

‡2038. SHRIMATI MAYA SINGH:
SHRI BRIJLAL KHABRI:

Will the Minister of FINANCE be pleased to state :

- (a) whether it is a fact that the Life Insurance Corporation of India (LIC) issues food coupons for its employees;
- (b) if so, the amount spent by LIC for issue of food coupons to its employees throughout the country in the last three years;
- (c) the names of companies to which these food coupons are issued and the details of payment made to these companies during the last three years, company-wise;
- (d) whether this activity is indicating towards a big scam; and
- (e) the level of officers who recommend for investigation of rates of such companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):
(a) to (c) The Life insurance Corporation of India (LIC) has informed that it has introduced a scheme of providing food coupons to its employees with effect from 01.09.2010. The amount spent on the scheme and the payment made to M/s Sodexo SVC India Pvt. Ltd. for food coupons from September, 2010 to December, 2010 is as under:—

Month	Amount (Rs. crore)
September, 2010	11.53
October, 2010	10.78
November, 2010	12.70
December, 2010	13.38

(d) LIC has reported that there is no scam. LIC has further stated that the scheme of food coupon has been introduced with the view to increase employees satisfaction

‡Original notice of the question was received in Hindi.

as motivation tools which is manifested in team-work, building client relationship and idea generation.

(e) LIC has intimated that a committee was constituted to evaluate and select the service provider for supply of food coupons. The committee finalised the service provider M/s Sodexo SVC on the basis of the network affiliates, financial strength, market presence, existing client base and quality of service delivery on pan India basis. Regarding the rates, LIC informed that the coupons are issued on face value with no service or delivery charges being levied by the vendor.

Weak economic health of UCBs

2039. SHRI PARSHOTTAM KHODABHAI RUPALA: Will the Minister of FINANCE be pleased to state:

(a) whether the RBI is concerned about continuous weak economical health conditions of Urban Co-operative Banks (UCBs);

(b) if so, the details of stringent actions which have been taken by RBI in this regard; and

(c) whether Government is in process to make strict laws to punish accused person who are involved in scam of UCBs as most of the accused persons are yet to be apprehended?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) Reserve Bank of India (RBI) has reported that it is concerned about the health of the Urban Cooperative Bank (UCB) sector. The banking related functions of UCBs are regulated and supervised by RBI under the provisions of the Banking Regulation Act, 1949 (As applicable to Co-operative Societies). Matters relating to Registration, Management, Audit, Liquidation etc. are governed by the provisions of the respective State Co-operative Societies Act and Multi-State Co-operative Societies Act, 2002 (in respect of Multi-State UCBs).

In order to address the issues arising out of dual control of the UCB Sector, the RBI has entered into a Memorandum of Undertaking (MoU) with all the State Governments having presence of UCBs as also the Government of India (in respect of Multi-State UCBs). Consequent to signing of MoU, a Task Force for Urban Co-operative Banks (T AFCUB) have been formed. The T AFCUB consists of representatives of RBI, State Government and Federation of UCBs. The role of T AFCUB is to identify the potentially viable UCBs and find a revival path for them and to find a non disruptive exit route for the non-viable UCBs. The RBI has been taking action against UCBs for violation of various provisions of the BR Act, 1949 (AACS) and the instructions/directions issued there under. In the last two years *i.e.* from January, 2009 to December, 2010, 52 licenses of UCBs were cancelled/applications for licence rejected; 54 UCBs