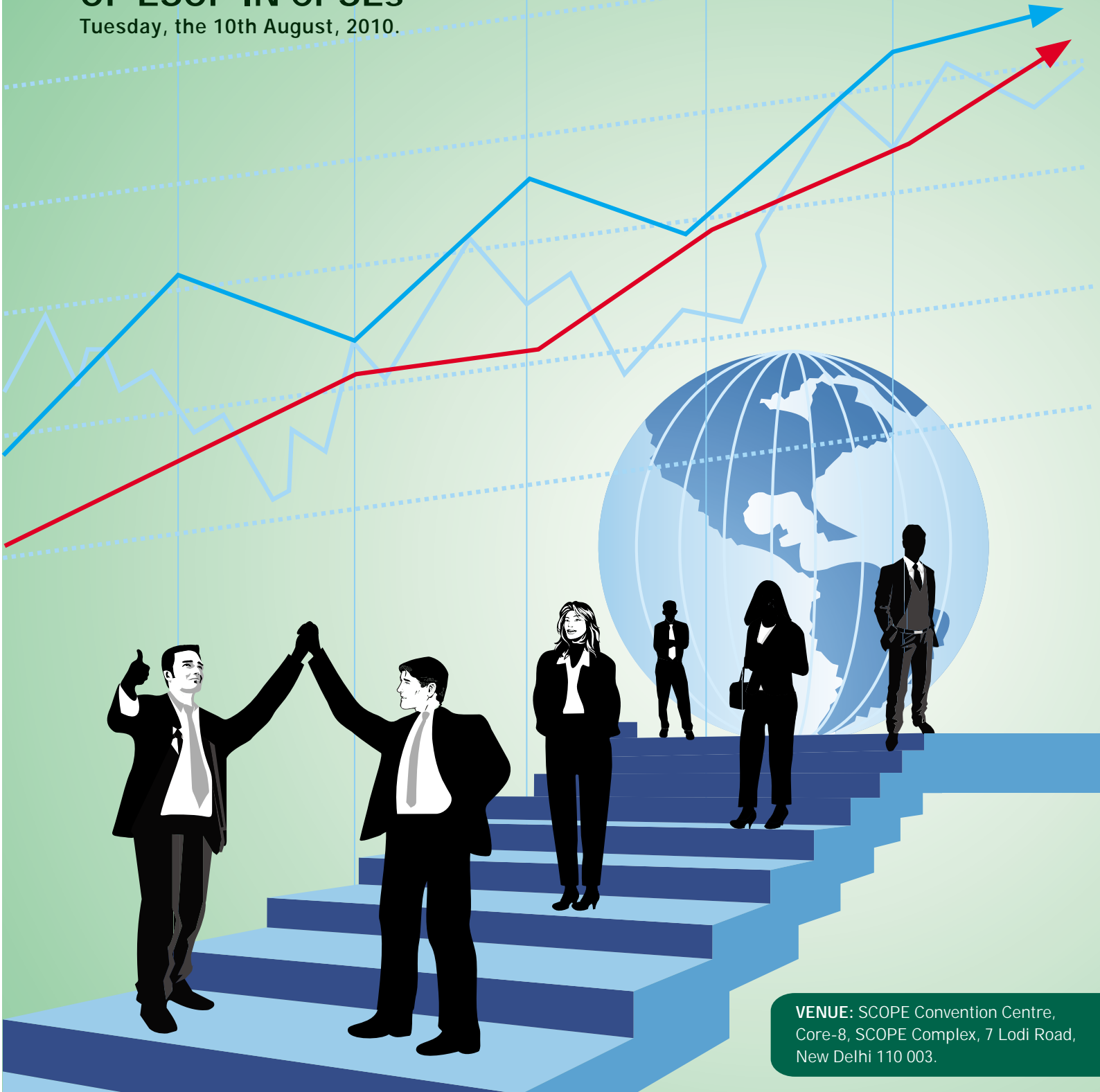


Harnessing Energy through Knowledge

UNIVERSITY OF PETROLEUM  
& ENERGY STUDIES

# UPES in collaboration with SCOPE presents **WORKSHOP ON IMPLEMENTATION OF ESOP IN CPSEs**

Tuesday, the 10th August, 2010.



**VENUE:** SCOPE Convention Centre,  
Core-8, SCOPE Complex, 7 Lodi Road,  
New Delhi 110 003.

Knowledge Partners

**HayGroup** ESOP Direct



Industry Partners

इंजीनियर्स  
इंडिया लिमिटेड  
(भारत सरकार का उपक्रम)



**ENGINEERS  
INDIA LIMITED**  
(A Govt. of India Undertaking)

## About the Conference

To increase efficiency, productivity, profitability and to inculcate a sense of involvement amongst employees of public sector enterprises, Department of Public Sector Enterprises (DPE) introduced the concept of Employees Stock Option Scheme (ESOS) in 1997. The scheme was based on the mutual fund/ trust named 'The Maruti Udyog Limited Employees Mutual Benefit Fund', in operation in Maruti Udyog Limited (MUL).

DPE in its guidelines dated November 28, 2008, advocated for all CPSEs to formulate an Employee Stock Option Plan (ESOP) and mentioned that 10 to 25% of Performance Related Pay (PRP) should be paid as ESOPs. However, till date no CPSE could launch an effective ESOP program successfully. This is probably because of the lack of understanding of this complex subject. To have a better understanding on the subject, in this workshop, issues like ideas on ESOP, benefits of ESOP, SEBI guidelines, FBT, other implementation issues etc. pertaining to effective implementation of ESOP will be deliberated. A lot of information sharing will also take place in this workshop, which will have participation from both public and private sector organizations, knowledge partners, regulators and consultants.

## Objectives

- To enhance awareness on the importance of ESOP in CPSEs
- To share experience and good practices followed by private sector on ESOP
- To deliberate on the ideas and action plan for the way forward

## Design & Methodology

The participants will be addressed by leading experts from Govt: CPSEs and Private sector organizations in addition to the representatives of the knowledge partners - Hay Group and ESOP Direct.

The methodology will comprise lecture presentation with interactive and open session.

## Broad Coverage of the Program

- Inaugural & Keynote address by Disinvestment Secretary, Govt. of India
- Understanding ESOP: A Presentation by Knowledge Partner
- Experience sharing by CPSE
- Sharing of success stories by private sector organizations

## Who should Attend?

The workshop will be useful to the middle and senior level HR and Finance officials from Public Sector Undertakings.

## Fees

In order to facilitate larger participation from CPSEs, a nominal fees of Rupees 5000/- per participant has been kept. Payment can be made by cheque or demand draft drawn in favour of '**University of Petroleum & Energy Studies**' and **payable at New Delhi**.

## Nominations

Since the seats are limited and will be allotted on **first come first serve basis**, nominations along with the Cheque/ DD may please be forwarded as soon as possible to the following address:

### Vijay Pahwa

Director (Industry Relations)

PHDCCI, 3rd Floor, PHD House, 4/2 Siri Institutional Area,

August Kranti Marg, New Delhi - 110 016.

Tel.: 011-41730151/152/153, 46022691/92-95

M :- +91 9313260005

Email :- vpahwa@upes.ac.in

## PROGRAM DETAILS

**DATE:** 10th August, 2010 (Tuesday).

**VENUE:** SCOPE Convention Centre, Core-8, SCOPE Complex, 7 Lodi Road, New Delhi-03.

| Opening Session | 0900 to 1020 hrs   |
|-----------------|--|
| 0900 - 0930 hrs | Registration & Welcome Tea   |
| 0930 - 0945 hrs | Welcome Address<br><b>Shri Sanjay Kaul</b> , President UPES  |
| 0945 - 1000 hrs | Opening Address<br><b>Dr U D Choubey</b> , Director General SCOPE  |
| 1000 - 1020 hrs | Inaugural & Keynote Address<br><b>Shri Sumit Bose</b> , Secretary, Govt of India,<br>Ministry of Finance (Dept of Disinvestment)   |
| Tea Break       | 1020 to 1045 hrs   |
| 1045 - 1200 hrs | Understanding ESOP: Joint Session by Hay Group & ESOP Direct<br>HR aspects for implementing ESOPs - <b>Oliver Ricaille</b> , Managing Consultant - Executive Reward, Asia Pacific & <b>Reena Wahi</b> , Senior Consultant - Executive Reward, India - Hay Group (35 mins) <ul style="list-style-type: none"><li>• Different financial participation schemes like profit sharing, stock option, Stock Appreciation Right (SAR), phantom stock, deferred profit sharing etc.</li><li>• Potential benefits and pitfalls of ESOP</li><li>• How can employee motivation and commitment be measured in context with ESOP? (Indian &amp; International experiences)</li><li>• Industry Benchmarking study – Design a research study to predict what impact would ESOP have on employee commitment and organisational performance</li></ul> Legal & Accounting aspects for implementing ESOP - <b>Harshu Ghate</b> , Managing Director, ESOP Direct (35 mins) <ul style="list-style-type: none"><li>• What are ESOPs? – How they work?</li><li>• Applicable laws for implementing ESOPs – SEBI Guidelines, DPE guidelines, Accounting &amp; Taxation laws</li><li>• Alternative instruments to encourage broad based employee ownership in companies including CPSEs</li></ul> |
| 1200 - 1245 hrs | Presentation by<br><b>Shri V C Agrawal</b> , Director (HR), IOCL   |
| 1245 - 1330 hrs | Sharing ESOP success story<br><b>Shri Samir Gadgil</b> , GM, WIPRO   |
| 1330 - 1335 hrs | Distribution of Questionnaire on ESOP amongst the participants   |
| Lunch Break     | 1335 to 1415 hrs   |
| 1415 - 1500 hrs | Sharing ESOP success story<br><b>Shri A Sudhakar</b> , ED, Dabur India   |
| 1500 - 1545 hrs | Sharing Domestic and International ESOP case studies - ESOP Direct   |
| Tea Break       | 1545 to 1605 hrs   |
| 1605 - 1635 hrs | Open forum – Interactive discussion and Experience Sharing on Implementation by participants   |
| 1635 - 1640 hrs | Collection of filled-in Questionnaires   |
| 1640 - 1720 hrs | Discussion on the Way Forward  |
| 1720 hrs        | Vote of Thanks   |

### Program Facilitators:

**Ashok Anand**, Advisor UPES

**UK Dikshit**, Director (Programs) SCOPE



## UNIVERSITY OF PETROLEUM & ENERGY STUDIES



Conviction that India has the potential to emerge as a leading global economy and the belief that Indian youth have the will to become world class professionals has led us to create in UPES, an academic institution with a global vision.

A key consideration here has been the projected gap in the availability of core sector focused technical and managerial talent. And the need to impart the fundamentals in core sector, creating a foundation on which an individual can build a solid career with a global footprint. Academic programs at UPES have been developed with practical inputs from senior professionals in the various core sector domains and leading academicians with a proven track record.

Industry has proactively responded to our endeavor. In just 7 years UPES has placed more than 2000 young industry ready professionals with more than 350 corporates operating in the Indian core sector. A track record that we are extremely proud of and one that we are committed to better in the coming years.

The UPES campus is located in the sylvan surroundings of the Ponda valley at the foothills of the Himalayas in Dehradun, offering an environment conducive to academic, personal and professional growth.

UPES prides itself on the following landmarks, achievements which go into the foundation on which you can build your professional growth.

- First Energy and Core Sector University in the Pan Asian region
- First Indian University of its kind to be maintained by UGC under section 2(f) of the UGC Act, 1956
- University accredited by National Assessment Accreditation Council (NAAC) within 6 years of inception
- First Asian University to have Energy Programs Accredited by Energy Institute, UK
- First Indian University to have implemented SAP

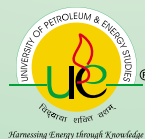
Standing Conference of Public Enterprises (SCOPE) is an apex professional organization representing the Central Government Public Enterprises. It has also some State Enterprises, Banks and other Institutions as its Members.

SCOPE's objective is to promote excellence in organizations where public investment is involved, in order to be globally competitive.

SCOPE is a proactive interface between its member enterprises and the world outside comprising the government, policy makers, stakeholders, other business organization and the media. Its underlying philosophy is to enable, inspire and motivate its member enterprises to become globally competitive in a market-driven environment and enhance overall performance besides promoting their business aspiration by strengthening their interaction with the stakeholders.

SCOPE has been a catalyst in increasing government's focus on reform and restructuring of PSEs in line with opening up of the Indian economy and increased integration with the world economy. Its strategic focus on strengthening PSEs for transition to ever increasing competition has enabled them to become more competitive and global in their orientation.

- Enhancing standards of Corporate Governance and Corporate Social Responsibility in PSEs to the best prevalent practices in the world.
- Sharing knowledge with international bodies like OECD, ILO etc. to benchmark standards of governance. Also organizing interaction between international/government delegations and PSEs.
- Developing effective leaders to meet ever increasing requirement of public enterprises.
- Interfacing with the government regulatory bodies and policy makers for creating favorable policies and a regulatory framework to safeguard the interest of public enterprises and improve their competitiveness.



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**Corporate Office:** PHDCCI, 3rd Floor, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016. Tel.: 011-41730151/152/153, 46022691/92-95 | Fax: 011-41730154

**Dehradun Campus:** Bidholi Campus Office, Energy Acres, P.O. Bidholi Via-Prem Nagar, Dehradun - 248 006. Tel.: 0135-2102690/91, 2694257/58, 2694200/201/203/208 | Fax: 0135-2694204

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