

**GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA**

UNSTARRED QUESTION NO:5077
ANSWERED ON:25.08.2000
SHARES OF PSUS TO EMPLOYEES
UTTAMRAO NATHUJI DHIKALE

Will the Minister of DISINVESTMENT be pleased to state:

- (a) whether the Government are formulating any scheme to give the shares of the Public Sector Undertakings to its employees;
- (b) if so, the details thereof;
- (c) whether the Government companies are expected to earn profit as a result thereof; and
- (d) if so, the details thereof?

Answer

Minister of State of the Department of Disinvestment (Shri Arun Shourie)

(a) & (b) Yes, Sir. For the employees of the Public Sector Enterprises subjected to disinvestment, Government is formulating an Employee Stock Option Plan.

(c) & (d) It is not possible to predict the direct impact of offer of shares to the employees of the company under a Stock Option Plan on the financial performance of the company. It is, however, one of the steps being taken by the Government to protect the interest of the employees and give them a stake in the PSUs in which disinvestment is undertaken.