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From: Sent: Jang Badhesha [jbadhesh@cisco.com] Wednesday, April 21, 2004 2:57 PM

To: Director - FASB

Cc:

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Subject:

Stock Option Expensing (File Reference No. 1102-100)

Letter of Comment No: 1295

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Chairman Robert H. Herz,

 $\ensuremath{\mathrm{I}}$  am writing to you regarding the subject matter of not expensing the stock options.

I am originally from India and have been residing in United States for the past 16 years and am a US citizen. I have had the privilege to work for an organization that treats employees fairly and where every employee is essentially a stake holder in the organization. The motivation, the desire to work and excel in such a work environment is simply phenomenal because I feel like I can make a difference and it will have some rewards for me as well, if the company executes and performs well.

I also had an opportunity to be exposed to companies in India (10 to 15 years ago) where every thing was essentially being run by the state or the federal government. The private corporations where very bureaucratic and the employee morale and satisfaction had been real low. Over the last 5 to 7 years as India has evolved into a developing economic power, the single largest success factor has been the role of the government and the transformation of the private corporations. The government is encouraging business growth with tax incentives and corporations are investing heavily in human resources and employees as significant stake holders. Start up companies have been booming and with proper check and balances i.e in terms of corporate mismanagement, the results are evident of great successes.

I would hope that we leave the incentives for corporations where employees get directly rewarded in terms of how the company performs and also allows corporations to have better employee retention so that they could invest in training/education in order to have a productive work force. The current stock option program for the employees need to be left alone in order to promote growth and checks and balances need to be put in place to ensure proper reporting and eliminate misuse by senior executives.

Best Regards,

Jang Badhesha