

## **Graduation Day Address at Infinity Business School**

My very dear friend Neeraj, Respected Members of the Board, Members of the Faculty and All my young friends,

Thank you for that warm and fulsome welcome.

When I was invited to speak here today, my initial reaction was: Who me? What have I done that qualifies me to speak at a Convocation Day ceremony at a Business School?

Neeraj said – actually I asked all the big shots in Delhi, but they are busy preparing for the next elections and have been warned by their respective coalition partners that the Government will fall if they make some progressive remarks here! So then I tried asking some film stars I knew, as graduates normally want some glamour and fun on graduation day. However they were all committed to the premiere of Jodha-Akbar. Even the cricket team is in Australia! In desperation I turned to the big guns from the Financial World. Sadly, almost all of them have sub-prime problems haunting them at work or are trying to make a multi billion dollar placement of some large real estate company to a sovereign wealth fund. So after going through some 50 names, my friends advised me that there's one speaker who's always free and comments on everything under the sun on CNBC... stop laughing, show some respect for ...! As it turns out, even he said he was busy, so I asked you!

So here I am. Choice number 52. I'm wondering what I'm doing here on a day when all of you are looking to celebrate and have a party. I know the last thing you want to hear on your Graduation Day is a sermon on "how to" do it. Honestly, even I had my certificates mailed to me and never attended my Convocations! However, now that you and I are both here, might as well take some advantage of the situation.

I do not intend to tell you how bright your futures are or how great the prospects for our country are. I am sure you know all about that. Whatever you can read up else where or analyze for yourself is not really relevant today. What I think I ought to do is share some of my own experiences. These are real life lessons that you cannot learn at business school, nor is this the kind of stuff that people talk about. These are the insights that I share with my nephews and every young person that I really want to help. I hope some of the insights will be relevant and useful to you:

Like many of you, when I was much younger, just getting into a premier business school was a major, major goal in itself. That accomplished, "what next" was really a fuzzy, idealistic thought that I had nurtured all through my student days – I wanted to be a success – with name, fame and all the usual yard sticks. However, deep down, I wished I could help to improve my country. I wished I could help to create wealth and employment. I thought industry was the way to do this. Finance and Capital markets were honestly NOT at the top of my mind!

However, when I returned home post my MBA to our family business, I went through a great deal of self introspection. I realized industry required deep pockets and an ability to manage the environment. I realized that I was not really the next Jamsetji Tata or Dhirubhai Ambani. Our company was failing and I had no ability- financial or otherwise to cope – nor a burning desire to turn it around and make it a world leader. Indeed, I was forced to look elsewhere to supplement our family income as well as satiate my intellectual hunger.

A few important truths emerged in this period:

1. I had a talent for numbers and finance. I started investing in the equity markets, I built a small finance practice of bill discounting and financing imports, I wrote articles in the financial press and research for brokers. We sold our company, and eventually one thing led to another and I ended up at Enam where I grew into a partner and helped build one of India's premier financial services company. **The insight is, find your edge and build on it.** In cricket terms, figure out early if you are Kumble or Dravid even if you originally wished you were Sachin or Brett Lee!

2. If I had stood on my high horse – “I am an LBS MBA, this is below my dignity or qualifications”, I would have never started doing the things I did. I would have kept waiting for a “dream job” or a “partnership” offer worth my while. Instead, **humility and adaptability** allowed me to grab whatever opportunities were available to work my way up. I think business schools do not stress the value of adaptability and perseverance enough while giving too much importance to strategy and vision! Most entrepreneurs I have met grew bottom up from available opportunities. The difference was they never lost sight of their dreams even while they worked with excellence through the situation they were in. Remember the all powerful dinosaurs vanished but the adaptable monkeys survived and now rule the earth as humans!

3. At the same time, while there are great merits to working hard and with humility, never ever lose sight of the big picture and stay stuck in a situation with limited upside. In my case, my father helped me to think about the idea of choosing which war to fight. He said – **play only if the size of your win can be very big.** You choose between a nice office and a nice home and your choice will be clear.

What he meant was, if you go for the tried and tested, you will be comfortable in a nice office – with perks and all the associated social glamour, but you will live in somebody else's house and will have limited financial upside. If you want to own your own house or make your fortune, you will have to play accordingly; **embrace risk.** But take this risk only if the win can be very big.

This approach of thinking of the SIZE of the potential win has helped me immeasurably in my investing career, picking stocks that have been huge multi baggers. Even professionally, unlike most graduates like me in 1990, I consciously chose NOT to emigrate or take up lucrative and safe jobs with the leading business houses or MNCs. I chose to work in an unknown place that offered the potential of significant ownership.

What was extremely important was the opportunity size in the Indian Capital markets and the caliber of the partners at Enam. They rank right at the top in terms of intellect, enterprise and value systems. **So my insight is: not only choose the right wars to fight, even choose the people you will enjoy fighting it with!**

4. Another important lesson was the realization of who really matters in life. When you are down or do something unusual; most people disown you as you make them uncomfortable and nervous. You become a social pariah. This happens equally when you make an unconventional investment or when you make a challenging career move. It is at times like this that you need strong anchors in your life who do not allow your conviction to get shaken. Almost always, these anchors are going to be your spouse, your parents, your kids, your close friends or partners who stand by you in your darkest hour. Recognize who these anchors are, as these are the ONLY people who should matter in your life. Yet, these are the very people we neglect when we get successful or “busy”. **Never, never forget the importance of the real anchors in your life and never ever bother about “what will people think”.** I’m sure you have all heard the famous parable of the professor, the glass jar with pebbles, sand and rocks. Get the important things and people sorted out early in life!

5. As I built on these basic principles of self awareness, I learnt **the importance of always having mental models working in my head all the time** – as reference check to filter out what was unimportant and what was really important.

I guess a lot of what I have spoken to you about in a personal sense, is what Jim Collins describes in a corporate sense in his excellent book- Good to Great. The concept of the hedgehog: Draw three circles – what you can be best in the world at, what you are passionate about and what drives your economic engine. The intersection of these three is your core. That can multiply manifold.

Another seminal piece of reading that I have asked Neeraj to distribute to all of you is a copy of the talk given by Charlie Munger at the USC. He very wonderfully describes the few mental models we must all carry in our heads to live our worldly life. When you get down to it, there are really very few enduring models, drawn from maths, accounts, economics, engineering, psychology and history that arm us so well to deal with almost all real life situations. I thought he encapsulated the entire MBA in that talk. Read it and preserve it!

**I do think that we are blessed to live in an age where we can benefit from the experiences of others through the gift of reading. That has to be an enduring passion for anybody looking to improve oneself in life.**

6. Having said all about material success, let me spend some time on my real insight. I think we do not practice the ancient Indian tradition of self introspection enough. We are so conditioned to being externally focused, that we spend our lives being reactive, envious or carried away by externalities that deny us the biggest happiness and insights.

I am a student of Vipassana. Basically Vipassana means *to see things as they really are*. It is a highly evolved technique of meditation that was rediscovered by Siddharth Gautam- the Buddha more than 2500 years ago. It teaches us the *real Art of Living*.

His central discovery made through this technique was that our entire body and physical state comprise a series of atoms and “vibrations”. It is these vibrations that attract other atoms around it that start forming clusters. These clusters start shaping our identity, our form and our reactions. In other words, we are no different from what we see around us in the universe... break the objects down like we did in Biology and we go to a sub-atomic level under the microscope. Blow the image up and we are part of a city in a country within a planetary system that is part of a solar system that is part of a milky galaxy that is...

Get the picture?

So the heart of all living creatures is what we call the spirit, the vibration, the soul, the Atma...the purpose for which we are here.

Through meditation, introspection... Vipassana, you can observe at an experiential level that one “vibration” craves something that then gets attracted to it and a cluster forms that builds up indefinitely until the form grows and grows and grows. At a physical level, you can easily imagine a person who craves food and the form eventually ends up obese.

At a mental level imagine a self centered person who lives in anger and selfishness. You can almost predict a tense body and all the stress related diseases of hypertension, diabetes, cardio vascular...

Now think of a person who is immersed in the welfare of others – his child, his wife, his family, his clients and colleagues at work, the society in which he lives...and who spreads happiness through word, action and mere presence.

We are all creatures of the vibes we are creating and living by. At the climax of his Unitive state, the Buddha saw this reality and achieved Enlightenment ...and a forever equanimous state.

Through your life’s work and karmas, you can choose how you wish to really evolve, growing towards **a fully human stature that eventually leads to infinite joy and unity with the Self.**

**In every single moment of life, be self aware, strive for excellence, surround yourself with good people, be generous, be equanimous and be happy!**

In a succinct verse in the Brihadranyaka Upanishad, the essence of life is laid out:

*“You are what your deep driving desire is.  
As is your Desire, so is your Will.  
As is your Will, so is your Deed.  
As is your Deed, so is your Destiny.”*

Go ahead and make your own destiny. I wish you all success in your journey!

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We have eaten the fruit from trees that we did not plant. We must plant gardens that not us, but generations will eat from – Narayana Murthy