

# YLC News

MONTHLY NEWS LETTER

## From the Chairman

It is my pleasure to present the April edition of YLC newsletter.

We received very positive feedback on the previous editions and I would like to thank you all for your support and encouragement.



**Vineet Agarwal**  
National Chairman YLC, AIMA

We are happy to inform that Young Leaders Council had organised YLC Mumbai Chapter first event with Mr R Gopalakrishnan, former Director of Tata Sons Ltd and CEO, The Mindworks as the keynote speaker on the theme 'India for the Young: Taking Charge' recently. It was pleasure meeting Mumbai Chapter and the session was a superb learning experience for Young Leaders.

As we launch the Bangalore chapter on 13th May, 2019, we are hosting an event with some great speakers that day. We do hope you can join us.

Please extend your continued support in increasing membership and activating Chapter level activities.

I encourage and request members to give feedback on the newsletter and proactively contribute to make it even more interesting and beneficial to readers."

## YLC Office Bearers

### Vineet Agarwal

National Chairman YLC, AIMA

### Pranav Pai

National Vice Chairman

### Radha Kapoor Khanna

Forum Chair

### Suraj Dhingra

Chairman – Events

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# Young Leaders Council

## Mumbai Chapter Event Wednesday 24th April, 2019

AIMA Young Leaders Council organised first Mumbai Chapter Event on 24th April with Mr R Gopalakrishnan, Former Director of Tata Sons Ltd and CEO, The Mindworks as the keynote speaker on the theme 'India for the Young: Taking Charge'. The event was Chaired by Mr Vineet Agarwal, National Chairman, YLC & MD, Transport Corporation of India Limited and Welcome address by Ms Kirti Poonia Member YLC and Head Okhai.

Guest showed their keen interest in joining YLC and members were driven to take things further from the first event. The session was very well received by the participant.



Mr R Gopalakrishnan, Former Director of Tata Sons Ltd and CEO, The Mindworks addressing as Mr Vineet Agarwal, YLC Chairman & Managing Director, Transport Corporation of India Ltd & Ms Kirti Poonia, Head Okhai looks on



(L-R) Mr Vineet Agarwal, YLC Chairman & Managing Director, Transport Corporation of India Limited; Mr R Gopalakrishnan, Former Director of Tata Sons Ltd and CEO, The Mindworks & Ms Kirti Poonia, Head Okhai



(L-R) YLC members Gujarat and Mumbai Chapter with Mr Vineet Agarwal, YLC Chairman

## Member's Column

# Hostile Takeover – recent threats and lessons

*This article is contributed by Young Leaders Council member, Kiran Kumar Komaravolu (KK).*

Do you remember this famous punch line “I am going to make him an offer he can't refuse”, from “The God father”? If this is the dialogue with the founders of a company in the first instance - it's a friendly conversation with a surprise, if this goes straight to the largest outside shareholder – there's the thunderous rumble in the distance creating a hostile environment, with a course changing effects on corporate governance. Diagnosis starts with keeping a close check on slowly creeping controlling interest percentages under the chair. The intention to target and

acquire a company could vary from being political to gaining a competitive advantage.

Below outlines few lessons and cautions to founders/promoters to face a hostile offer.

- A stitch in time saves nine - Misjudgment arising from the gap between a soft, friendly offer and a hostile tone should be used for strengthening capital structure (like a buy back when the cash reserves are high) before it proves deadly sooner or later for the founders/promoters. Strategic advantages to the concerned party may not change very quickly, and that might be the time to take the house to order.
- Know the Price – In case of a public company, market price is never a primary driver for the open offer deals, never be fooled by market sentiments, direct deals run on muscle power. Emotions don't work for the aggressor in hostilities. Acquirers see the value in the target that starts with a friendly offer. Friendly offers are suggestions to create more barriers in the moat to tackle acquisition control.
- Trust the walls - Trust the wisdom of Independent directors not when the event triggers but in every board meeting. Never underestimate earning the trust, the power and interest of key shareholder(s), however, expect the unexpected, your shareholders are in the best interest of themselves and with times they may prefer distributing their risk to other industries.





- Get the Clues – One can pay attention to what's going on in the environment before it become hostile. A promoter management can smell the symptoms on increased love and enquires about the company's matters by few (Minor) shareholders who might be eyeing at a better price for their piece of shares. Increasing litigation or law suits on senior executives causing reputational damage are also symptoms of something bad might turn up.
- Experts beside - Get your learned defense strategy advisors and experts in the SEBI takeover regulations in close loop. A takeover aversion

exercise could be a blessing in disguise for the targeted company to further strengthen itself against hostility. You may prefer learning about various defense strategies to thwart a hostile deal (few examples of strategies à Poison Pill – Further issuance of preferential capital and make it costly to acquire; Suicide Pill – Kill yourself, practically nobody does it. White Knight – get that strong muscle by your side; Greenmail – Buyback from the bidder; Pac-Man Defense – Acquire the Acquirer; Jewel Crown defense– Spin off the asset entities making it difficult to target.)

- Few famous hostile takeover attempts.

Acquirer	Target	Result
India Cements	Raasi Cements	Acquired
CAPARO Group	DCM Limited -Target1 Escorts - Target 2	Foiled
Mittal Steel	Arcelor	Acquired
Bharati Shipyard Ltd (BSL) - Bid1 ABG Shipyard LTD (ABG) - Bid 2	Great Offshore Limited (GOL) (under Great Eastern Shipping Company Ltd )	GOL was Acquired by BSL while ABG Gained from a Capital Transaction
ITC Limited	Eastern International Hotels Limited	Foiled
Radha Kishen Damani Foiled	VST Industries	Foiled
Abhishek Dalmia	GESCO	Foiled
Arun Bajoria	Bombay Dyeing	Withdrawn for profit
Bhushan Power & Steel and Other Persons acting in concert (PAC's) - Primary Monnet Ispat & Energy & Other PACs' - Bid1 Bhushan Energy Limited & other PACs - Bid2	Orissa Sponge Iron & Steel Ltd	Acquired
Larsen & Toubro	Mindtree	Ongoing debate as on the date of this Article ( Foiled!)

The Message:

From the recent L&T-Mindtree saga, one might have observed how the entire process is so heavy on emotions, but the business of business is to just do the business and not open weeping to gain sympathy. Prevention is better than cure. This could be a reminder in disguise to restructure the ownership to employees or to trusted partners. Taking care of customers, increasing revenues and being socially responsible would gain more tangible and intangible value to the organisation. These incidents are warnings to sluggish leadership to perform or perish and not to compromise on corporate governance. It's also a call for shareholders to assess the real value of the companies, either closely held or widely held. Indian companies and startups are always exposed and are vulnerable to hostile takeovers in different ways. As the famous saying goes – “prepare your company for a sale but still don't do it”, try to protect the value within.



Contributed by Member:

Kiran Kumar Komaravolu (KK)  
Chartered Accountant  
Senior Lead Finance Operations  
Royal Dutch Shell

*\*Disclaimer :*

*The Opinion expressed is personal*



# Management Report

## Socio-Economic Impact of Digital Transformation

### INDIA PERSPECTIVE

*This is a report by AIMA & KPMG*

#### Introduction

Today, India is at the cusp of digital transformation. With nearly 500 million internet users and roughly 340 million smart phone users (2018), the digital wave is touching the lives of millions of people, shaping them into a digitally empowered society. Businesses, irrespective of scale or industry, are adopting digital technologies to achieve higher operational efficiencies and provide better customer experience. Technology start-ups have further accelerated the trend by disrupting the traditional industries through innovative use of technology across different

facets of business. The government is also giving significant impetus on the adoption of digital technologies to improve the scale and speed of public service delivery. Digital technologies are recasting the relationships between customers, workers, and employers as the digital reach permeates almost everything we do - from buying groceries online to booking cabs on mobile apps. As computing and communications improve dramatically and more and more people across the nation participate in the digital economy, we need to make choices, which will create profound impact on our economy and society. The idea of 'digital transformation' is vast enough to re-shape the investment, trade, jobs and skills of any nation. Digital transformation is not a one-time event; instead, it refers to phase-driven digital progress, maturity and diffusion of innovations at various levels of society. The first phase of digitalisation was associated with 'mature' technologies, such as management information systems (MIS), internet and its corresponding platforms and telecommunications technologies (voice, broadband). The second phase entails the adoption of a range of advanced technologies, such as Big Data/analytics, Internet of Things, robotics, and artificial intelligence, aimed at automating work processes and improving overall





human productivity and efficiency. It is crucial to understand the impact of all these technologies and devise policies that will allow us to fully leverage the economic benefits and minimise social anomalies. Each phase of digital transformation influences the society at numerous levels and has a specific set of social and economic impacts. On the social front, digitalisation strengthens the delivery of public services such as healthcare and education by improving the speed and scale of service delivery to the citizens. In addition, digitalisation contributes to the overall development of society by providing financial inclusion and communication services. On the economic development front, it enables the automation of business processes, leading to operational efficiencies, such as reduction of manufacturing costs and higher productivity. Digital transformation also opens door to new business opportunities, thus creating employment. However, digital transformation can trigger societal impacts such as social anomie, jobs displacement, talent shortage and cyber security concerns. As India is ushering into the digital era, there is a strong need to establish robust infrastructure to leverage the growing opportunities and create a digitally empowered society. Policymakers have to take a fresh look at

their regulatory approach, which should support the development and implementation of innovative technology solutions. The future will require a technology-agnostic and flexible approach, where the government enables a level-playing field for the private sector and facilitates investment in building secured infrastructure and digital-ready talent pool. The digital growth will also require continued investment and innovation from the private sector to enhance consumer choice and economic growth. The purpose of this report is to provide understanding and to identify the economic and social impact of digital transformation in the India context. The report also discusses initiatives taken by public and private sectors aimed at maximising benefits and controlling any potential negative outcomes associated with these changes.

To read full report

[CLICK HERE](#)

## Management Article

# THE MINDFUL MIND

RASMUS HOUGAARD,  
POTENTIAL PROJECT

**Mindfulness helps leaders boost levels of attention, and create high engagement by being present.**

Jacob was a senior leader in a European financial services company. Like most of his counterparts, he was always 'on'- connected to the office in one way or another, all day, every day. With his smart phone and tablet, he was permanently tethered to the office. Day in, day out, he dealt with a steady stream of emails and an overloaded calendar of meetings. When he did have a free moment, he would often be interrupted by someone phoning with yet another urgent matter that needed his immediate attention. When I first met Jacob, he told me that he did not feel in control of his life. He felt like he was always trying to catch up, always overloaded with external forces - people and tasks - dictating his day-to-day reality. He felt he was living on autopilot without a clear sense of purpose and direction. Sounds familiar? The reality Jacob told me about is the new normal. Leaders across the globe, and in most industries, are facing a work reality where they are under 'pressure', 'always on', 'information overloaded' and 'distracted'. I call it the 'paid' reality. Like many of

us, Jacob longed for a greater sense of control. In our first meeting, he committed to undertake a four-month training programme of ten minutes daily mindfulness training and a series of meetings to alter his working habits. It was a significant investment of time considering his already busy work schedule. After the four months had gone by, I asked Jacob what he had gained from the programme. His answer: "one second." At first, his response took me by surprise. Four months of effort and daily training to gain only one second? That seemed like a meagre return. But then he explained, "Previously, when something happened, I reacted automatically. Every time an email came in, I read it. Every time I received a text, I answered it. Whenever a thought or emotion popped into my head, I paid attention to it and allowed it to take my focus away from what I was doing. I was a victim of my own automatic reactions. The four months of training have given me a one-second mental gap between what happens and my own response. It feels like I am





one second ahead, so that I can choose my response rather than being a victim of my automatic reactions. I cannot always control what happens in life, but I have developed the freedom to choose my response to it." Jacob's story describes what thousands of busy executives and leaders experience every day. But one second? What can change in one second? Everything.

One second is the difference between making a rushed decision leading to failure. It is the difference between acting out anger instead of applying due patience when under pressure. In our low-latency world, speed is a factor in any competition - sports, politics, and especially business. This is truer now than ever before. With today's high-frequency trading, millions of dollars can change hands in a millisecond. That is one-tenth the time it takes to blink. As the speed of business approaches the speed of light, one second is the difference between performance and high performance. In short, one second is the difference between achieving desired results or not. And it is all in the mind.

### Leadership starts with the mind

Leadership is about achieving results - for the organisation, for one's people, or in one's own life. And the birthplace of good results is the mind. Let us take a closer look at that: results come from performing certain actions. No good results come without some kind of action.

Performing the right actions come down to making the right choices about what actions to

perform. And making the right choices requires the ability to pay attention to the right things, at the right time, in the right way. Our attention is the foundation for everything we want to achieve as a leader and in life in general. From this perspective, the ability to manage our mind becomes critically important. But managing our attention, as simple as it sounds, can be tricky. Try this, to get an experience of it right now.

- Set a timer for 45 seconds
- Focus your attention on one thought - an email, meeting, or something else
- Focus your full attention on this one thing and nothing else
- Do not pay attention to any other thoughts or sounds until the time is over



Were you able to maintain focus on one thing? If you are like most people, you likely experienced that during those brief 45 seconds, your mind wandered off to a variety of thoughts. Do not worry - you are perfectly normal. If you can relate to this experience, then you probably recognise that sometimes - or possibly often - your mind has a mind of its own. In other words, it can be difficult to control your mind and what you pay attention to. But if it is true that our mind is the forerunner of any desired result, and we are really not in control of our mind, there is a performance gap.

### Welcome to the attention economy

Work-life has changed radically over the past few decades. We used to have working conditions where our attention could more easily focus on the task at hand. We are now experiencing distractions and information overload all the time. Our cell phones, tablets, emails, texts, and the likes place constant demands on our attention. According to the former director of the Accenture Institute of Strategic Change, Tom Davenport, "Understanding and managing attention is now the single most important determinant of business success." We are living in an 'attention economy' where the ability to manage our attention and the quality of our attention is key to our success as leaders. But in the 'paid' reality, where our ability to pay attention at will is under siege, we have a problem. How big is this problem? Researchers studying the mind's natural tendency to wander

calculated that on average our mind wanders 46.9% of the time. In other words, while we are at work, 53.1% of the time our mind is on task. The rest of the time it is off task. From a leadership perspective, there is a lot of potential to be developed here. Even just a small increase in 'ontask' time could have a significant improvement in many aspects of leadership including productivity, leadership effectiveness, employee satisfaction, team work, and anything else that would benefit from more focused attention. Attention-wandering is a natural neurological tendency.

But in the Harvard Business Review article, *Overloaded Circuits, Why Smart People Underperform*, researcher Edward Hallowell outlines the fact that attention-wandering has increased drastically over the past few decades, due to the challenges of the 'paid' reality.

Attention is indeed a new variable of economy in business and certainly in leadership. McKinsey outlines why in the McKinsey Quarterly article 'Recovering from information overload': "... attention fragmentation hit CEOs and their colleagues in the C-suite particularly hard because senior executives so badly need to synthesise information from many different sources, reflect on its implications for the organisation, apply judgment, make trade-offs, and arrive at good decisions." Traditionally, business productivity has been enhanced through time management, goal setting, prioritisation skills, and general





qualifications. Attention, in the 'paid' reality, is becoming a new foundational skill of leadership and business performance. Welcome to the attention economy.

But the big question is whether we as leaders, facing the 'paid' reality, are destined to experience attention-wandering with resulting underperformance? Are we destined to have minds that often wander, and lose focus? Thankfully, the answer is no. Attention can be trained and strengthened. It is much like a muscle. We can enhance our attentiveness to the task at hand or people we are leading. Mindfulness is the method. And make no mistake, mindfulness is no touchy-feely, new-age concept. Based on thousands of years of development, mindfulness is a rigorous practice of enhancing focus and clarity of mind while opening the eyes to the potential in ourselves and the world. It is a practice of mental high performance, and in many ways a long-awaited answer to the challenges of today's fast-paced and information overloaded leadership reality. Training our mind is possible. Decades of research shows that our brains are changeable. It is called neuroplasticity. In short, the way we use our brain is the way we reshape it. Any action we do or thought we think is creating neural pathways in our brain, whereby it is easier to repeat. The brain is changing according to how we use it. This means we are not predefined by what we are now, but rather we are recreating ourselves by what we do now. This means that every

moment we spend with a focused and clear mind, focus and clarity become traits of our brain. In the context of the attention economy, this means we are not destined to have a wandering mind. We can train ourselves and gain high levels of attention, focus, and clarity of mind, and thereby become better leaders of our own lives and the people we lead. Mindfulness is about entering the attention economy, being one second ahead. Are you ready to get started.



#### ABOUT THE AUTHOR

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Founder and Managing Director  
Potential Project.

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This article was originally published in *Indian Management* (Issue 4, Volume 57) a Spenta Multimedia and AIMA publication

## Meet YLC New Members

**Mr Jaideep Mehta**

CEO  
News Corp Mosaic Digital

**Mr Sameer Brij Verma**

Managing Director  
Nexus Venture Partners D

**Mr Rahul Yadav**

Co Founder Director  
Koinage HR Solutions Pvt Ltd

**Mr Axel Balakrishnan**

Co founder and CEO  
Splendre EyeMag Pvt Ltd

**Mr Muhammad Shafi**

Faculty, School of Management Studies  
NIT Kozhikode

**Mr Arpit Bharat Kansara**

Managing Partner  
Pam Industrial Plastics

**Ms Monisha Chowla**

Co Founder  
Ikigai Communication (Part of Ikigai Initiatives LLP)

**Mr Faisal Mullalayam**

Director  
Elixir Enviro Systems Private Limited

**Mr Meghna Arora**

Senior Commander  
Jet Airways India Ltd

**Mr Rahul Mansukhbhai Makani**

Director  
R N R Management Consultants Pvt. Ltd.

**Mr Kunal Mandal**

Chief Knowledge Architect  
Gyaanspace

**Mr Pritish Prashant Parekh**

Partner  
M/s Parekh Brothers

**Mr Aashish Chandorkar**

Vice President  
Capgemini India Pvt Ltd

**Mr Aliriza Abdul Gafoor**

Chairman  
Flewup Technologies

**Ms Vaishali Mittal**

CA, Global Finance Process Owner  
UK based Organisation

**Ms Runjhun Noopur**

Co-Founder  
ECORK Co-Working and Creative Spaces

**Mr Narayana Subramaniam**

Consultant Head and Neck Oncology  
Mazumdar Shaw Medical Centre

**Ms Shipra Singh**

Co-Founder  
Ikigai Communications

**Mr Amit Shah**

Head RERA and Corporate Compliances  
Kalpataru Limited

**Mr Anil Kumar Keshavbhai Mistry**

Proprietor  
Anil Products

To see all members

[CLICK HERE](#)

*Above list is as updated on 29 April 2019*

## Upcoming Events

**Young Leaders Council,  
Bengaluru Chapter Event  
Monday 13th May, 2019**

AIMA Young Leaders Council Bengaluru chapter is Organizing its first event on Monday 13th May, 2019 at Lemon Tree Premier, St. Johns Road, Ulsoor Lake Bangalore.

Speaker : Justice Santosh Hegde : Former judge of the Supreme Court Of India & Former Lokayukta for Karnataka State.



**We are Happy to Invite you to Young Leaders Council, AIMA  
Bengaluru Chapter Event**

**Speakers:**

**Justice Santosh Hegde**  
*Former judge of the Supreme Court of India &  
Former Lokayukta for Karnataka State*

**Ms Bindu Subramaniam**  
*Singer, Song Writer, Educator and  
Cofounder SaPa in Schools*

**Date: Monday 13th May, 2019**  
**Venue: LEMON TREE PREMIER, Ulsoor Lake, 2/1, St. Johns Road, Bangalore**

**Followed by Networking Drinks & Dinner**

**We look forward to having you with us.  
Kindly confirm your presence to [ryadav@aima.in](mailto:ryadav@aima.in)**

## YLC Membership

The membership of Young Leaders Council (YLC) of the AIMA shall comprise of young people, with maximum cut off age limit of 40 years. The members could be Young Promoters, Founders of Startups, Young Professionals, Leaders in Art & Culture/Music, NGOs, Politicians. Bureaucrats, Diplomats. The membership will be at National level (Mandatory) and at Chapter level (currently there are six chapters).

### For More Information Contact:

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### Become a YLC Member

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