

Senior Analyst, Jaineel Aga, Talks About His Experience Working for Private Equity Investments at Baring

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Early Monday morning, Senior Analyst and MEMP graduate Jaineel Aga arrives at his

office to pull up his email. He already knows what to expect – the teaser from J.P. Morgan that arrived within the hour, a list of private equity investment opportunities that could be worth pursuing for Baring. After getting through traffic, he finally has a chance to sit down and sift through the list of private equity investment opportunities that could be worth pursuing for Baring. There are a few golden eggs that pop out based on the firm’s criteria. This might be tougher than he thought. And so begins another week at Baring Private

Equity Asia in Mumbai.

He’s about to begin his work when the phone rings. Like the email, Jaineel already knows what to expect.

“Hi, Pranav. Glad you could call,” says Jaineel.

“Thanks for taking the time! This will be a treat for our finance fans at MEMP. What are you up to right now?”

“I just received a teaser from J.P. Morgan. I need to decide which opportunities are worth the time to analyze. That basically means I’ve got to do financial analysis on the company and construct a sophisticated financial model.”

“Sound like a lot of work. What else do you look at?”

“Macro factors like the company’s industry condition, the market it operates in, global and local economic factors that directly affect the company. I also look at the regulatory issues we may have to face if we pursue the investment.”

“Makes sense. What happens next?”

“I prepare an internal information memo and forward it to the investment committee. While they look over the facts, I get together with my team to work on a pitch presentation and present it to the committee. It takes more than numbers to convince them, you know. Most proposals get rejected.”

“Wow, okay. Great insight! What do you do when it’s accepted?”

“Celebrate, for one, but not for long. We’ve got more work to do. Once the proposal becomes what’s called a ‘live deal,’ the team shifts focus to conducting detailed due diligence activities. Everything else takes a back-seat and the typical work day

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goes out the window. We also often rope in third-party consultants at this stage and prepare more detailed financial models.”

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“Sounds intense, but stimulating. Do you ever feel like you wish you had an MBA?”

“To be honest, no. But I have been encouraged to get one. The problem being that there's sort of a glass ceiling if you don't. At a certain point, it becomes essential in private equity or venture capital firms, and it may take you from 12 to 15 years to become a partner in the firm. But I'd rather be here than back in school. I like the hands-on experience I'm getting. I also like to determine each step of my career at every two-year interval, so my opinion might change.”

“Good to know. And what are some of the stakes involved? Do you have a lot of responsibility?”

“Oh, yeah. Everyone here does. We're managing money – lots of it. Close to five billion dollars. But we're all here, we don't travel much—unlike consultants—and we all have at least two to three years of experience. I think in the case of small private equity firms, it's more likely that they will take on talent straight out of college.”

“Right on. Are there any particular skills that you found absolutely essential in your job? Maybe something you took from MEMP?”

“Definitely. You've got to be professional and you need people skills and communication skills. Networking and connecting is key for success. And then of course there are the basic principles of finance and accounting which are imperative, like balance sheets and income statements. Presentation skills, conflict management. All crucial. You need to absorb a ton of information, manage ambiguity, condense all that into a succinct presentation, convey it effectively, and then deal with the conflicting opinions of the committee as productively as possible. You want your proposal accepted, after all. Does that make sense?”

“Absolutely. You've given me so much to tell the MEMers. Thanks, Jaineel. I can't wait to share it with them. I'll let you get back to work.”

“Glad I could help! If you need anything else, just give me a call!”

“Thank you and have a great week!” said Pranav.

“Same to you!” Jaineel hung up the phone and returned to the teaser. He had a good feeling about this batch. With confidence, he continued his search for a profitable investment. ■
