



WOMEN
WORTH

By Khushboo Balani



An IIM-A gold medalist, a seven-year-long stint at Citibank followed by co-founding India's leading institutional brokerage firm, First Global, Devina Mehra's illustrious career path definitely provides enough material for a blockbuster thriller. First Global, like many other things in the early 1990s, is a baby of liberalisation. Mehra recalls the 1993 Budget presentation by the then finance minister Manmohan Singh, which opened up the market for foreign institutional investors. This

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triggered her to give up her job at Citibank and work towards setting up a brokerage house. With the market for equity research being relatively untapped at that point and the Bombay Stock Exchange selling membership at a relatively lower price, the environment was conducive for Mehra and her husband Shankar Sharma to start First Global. "Shankar had left Citi by then and was working as a sub-broker. Till then the price for BSE membership was prohibitive around ₹2 crore and it was a relatively exclusive club. But when BSE announced a membership at ₹55 lakh, Shankar and I decided to apply for it," recalls Mehra. Even in the mid-1990s, research coverage was relatively unknown, and Mehra believes the entire process was a learning experience for everyone in the market.

While ₹55 lakh seemed like a relatively lower sum, it still was formidable for the duo to shell out. Mehra describes the next few years of her entrepreneurial journey as being a major work-life imbalance, requiring unwavering commitment of her time and mental acumen towards making the venture successful. She says it's a price anyone aspiring for extraordinary success in their venture has to be willing to pay. While there was no real demarcation between work and home, Mehra admits that she wouldn't have been able to

embark on the entrepreneurial journey without Shankar being part of it. In the initial years they relied on their intellectual capital, given the limited financial resources at their disposal. The limited resources were also a constraint in terms of attracting talent, resulting in the duo handling most of the work.

So much so, that they had also almost given up on the idea of starting a family. Mehra elucidates what PepsiCo CEO Indra Nooyi had mentioned a few years ago, that in case of women, the biological clock and the career clock are in conflict with each other, whereby the peak years of your career are in conflict with your plan to have a family. Mehra was the youngest in her MBA class and started working with Citibank at the age of 21. When she joined its investment banking arm in 1986, she was the only woman officer in the entire team.

Mehra, however, agrees that starting her career journey at a relatively early age helped her and by the time she decided to have a child in the early 2000s, the major trials of her First Global journey were far behind. As a first generation entrepreneur, Mehra says it is a long, grinding wait before you even see a speck on the horizon, which warrants that you are flexible as well as resilient. Things are never smooth and never go as exactly as you plan them but you have to keep going. "You

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Pictured: Perkins® 2000 Series engines are built in Hosur, India

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also have to play to your strengths. Thus, as a firm, we always had a reputation of speaking our minds, having the courage of sticking to our convictions and being able to stay away from consensus," she adds.

GOING GLOBAL

About a decade later, once Devina and Shankar had entrenched themselves in the Indian market, they were trying to zero in on the next market they could start coverage on. Most of their clients advised them to pick up a couple of emerging economies, since India was an emerging economy. After obtaining the London Stock Exchange membership in 1999, they turned their attention to the largest market. "If we are expanding, we thought why go to smaller markets, why not go directly to the biggest market i.e. US." The firm finally got its NASDAQ membership in 2001.

It was a relatively uncommon trend at that time to analyse firms in the US from India. "Even within US, we were advised that we restrict our coverage to small cap and regional stocks, as nobody would be interested in our coverage of say an IBM or Dell," she says. However, unrelenting as Mehra is, the firm decided to focus on large cap stocks. "It opened up a whole new market for us and very gratifyingly, we also became thought leaders in some of the segments. Our views on oil prices versus the dollar were being quoted on the front pages of the *Wall Street Journal*." Also, the late Alan Abelson, legendary columnist of *Barron's* once wrote in his column, "By and large, First Global's reports are quite credible, and on occasion, more than that."

Since the beginning, they stuck to their template of deeply analysing fundamentals and not allowing consensus estimates or the comments made by management to cloud their judgement. "Since the start, we were on track about our analysis of Worldcom and Enron [firms eventually embroiled in major accounting scandals in 2001-2002], we were not able to reconcile their numbers, and we turned out to be right," points out Mehra. First Global today provides coverage on stocks across US and Europe and is the only Indian brokerage house rated by *Asiamoney* among Asia's top 10 international research houses, since 2000.

A CURIOUS MIND

Mehra attributes her success to a variety of factors, but it is primarily her drive to learn new things that has kept her going. She believes if learning excites you, there are always new opportunities one can find. A graduate from Lucknow Univer-

RAPID FIRE

Inspiration: My parents, Dr Verghese Kurien and Ila Bhatt

Success factors: Hard work, deep thinking, positive attitude, supportive family

Memorable milestone: Getting the BSE card and expanding to large Western markets

One thing I learnt the hard way: Things never turn out the way you plan, it could be better or worse

Best decision of my life: To go into business

Mentor: Books, entrepreneurship is a lonely profession

The book I learnt most from: *Thinking Fast and Slow*

One change that made life better: Becoming more resilient and flexible

Motto in life: Look forward, anything that doesn't kill you, makes you stronger

Guilty pleasure: Reading for pleasure

sity, Mehra had no prior background in economics and finance when she got through to the MBA program at IIM-Ahmedabad. But Mehra very quickly mastered the ropes and went on to top her batch. Though the gold medal at IIM-Ahmedabad is something she cherishes, what really swelled her heart with pride was the remark of the director at the 25th alumni meet of their batch. The director told Mehra that in his 30-odd years as a teacher, she was the best student he has had and particularly remembered her handwriting.

Another success which she is particularly proud of is her experiment with partially convertible debentures. Most retail investors were buying these products for their equity component and were stuck with the debt



WINNING ALL THE WAY: A young Devina with her many gold medals; with husband Shankar and daughter Precia



part. Mehra came up with a way to repackage the whole product so that the debt component could be sold to institutions like UTI, LIC and other insurance companies which were looking for such debt paper and the equity component to retail investors. It took some time to first sell the innovation within the organisation, then to corporate issuers and finally to retail investors, who were rather unsophisticated at that point in time. Despite the fact that the flexibility in terms of availability and pricing of instruments was limited, she managed to find a lot of takers for the product.

Mehra has always been enthusiastic to learn and experiment. She recalls her Citibank days, where she was first working with the investment banking division for five years and later joined the credit analysis wing in 1991. As part of the credit analysis team, she was expected to periodically file reports on the firms and visit their plants. These plants were located at remote locations and her peers were generally not very keen about field surveys of say a steel plant or cement plant at remote locations. But she was more than willing to travel to these places, always more than eager to do things not necessarily in her domain, which has greatly contributed to her learning experience.

More than the support of one's spouse, Mehra believes that it is the support of parents in the formative years of your life which is indispensable and the deciding factor of your success. She attributes a major part of her success to supportive parents. Growing up she saw her mother juggling work and chores at home, and her father also sharing responsibility. Her parenting in a way set the tone for the way she perceived her capabilities and majorly boosted her confidence.

GUIDING LIGHT

Mehra is an ardent believer in the merit of hard work, deep thinking and Malcolm Gladwell's 10,000 hour rule to master a skill. This style of functioning is not just restricted to her work life; she follows her favourite hobby, reading, with the same zeal. A voracious reader, Mehra describes her reading as quite eclectic. Off late, she has been reading up a lot on behavioural finance. Her favourites being Daniel Kahneman's *Thinking Fast and Slow*, Richard Thaler's *Misbehaving* and Christopher Chabris and Daniel Simons' *The Invisible Gorilla*. She is also an avid reader of autobiographies and biographies, with her most memorable being Richard Branson's journey (which in her words combines five lifetimes in one) and the Penguin collection of extracts from autobiographies and biographies of various women.

Besides reading, Mehra enjoys travelling. Even as a child, whenever she was asked about the two things she would want to do with her money, she always said two things - reading and travelling. On being asked about her advice to young woman entrepreneurs, Mehra retorts, "Not that different from my advice for young male entrepreneurs. Don't let other people's opinion about you impact your performance." Mehra quotes research studies which surveyed entrepreneurs in Silicon Valley and found that women are likely to be asked about risks and limitations rather than the prospects of their business, which is the way the questions are framed for women. This systemic bias leads to fewer women-led businesses being funded and women led businesses receiving lesser amount of funds. The more aware one is of these biases, the easier it is to deal with them. "The fact is it is man's world", quips Mehra, "and it is more difficult for women. We can gloss over it, but it is a fact as of today." ☺