

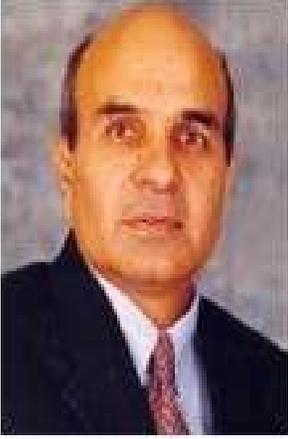
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# THE ECONOMIC TIMES

## Big Dreams Are Made Of These

The Economic Times, Mumbai, July 28, 2006

*It's not just just the big names of India Inc any more • now a slew of mid-rung and, often, unheard of companies are furiously making global acquisitions. Are they biting more than they can chew?*



A Sense of discomfort was nagging **Rahul Gautam**, the softspoken managing director of **Sheela Foams**, all through his chat with Dan Smetana, chairman of Joyce Corporation, an Australian company he was acquiring. The cause of **Gautam's** worry was a question that Smetana posed while they were discussing the details of the deal. "Will you rename the (Australian) company as **Sheela Foams** after the acquisition?" he asked. It was only when Smetana told him that in Australian slang the word 'Sheila' is sometimes used to describe a woman with loose character, that Gautam couldn't help but laugh. He later explained to Smetana that in India 'Sheel' means just the reverse • chaste or pure. And '**Sheela**', refers to the pure or unsullied one.

Tales like this flow if you speak with Indian entrepreneurs who set out for their first global acquisition. Gautam, a Ghaziabad-based manufacturer of polyurethane foams, is part of a rapidly-growing club of mid and small-sized Indian companies who're breaking the proverbial glass ceiling and making a bid for their first acquisition abroad. The list is long and includes companies like Welspun, Intas, Navneet Publications, Malwa Industries, Bilcare, Mastek, Natco Pharma, Indegene Lifesystems, **Infomedia**, and Allcargo. Many names in the list would be unrecognisable to even the keenest of industry watchers. Experts say, such newcomers could easily account for 30-40 percent of the total outbound mergers & acquisitions (M&As) in India. And the big change that's central to this trend is that now even the smaller Indian entrepreneurs are thinking big. "There has been a fundamental shift in the minds of Indian entrepreneurs of this set. They no longer want to be protected • they want to be competitive," says Rajeev Memani, managing director, E&Y.