



The Restless Nerd For Vijay Shekhar Sharma, business is more than just money; it's about ideas.

RANK
49

VIJAY SHEKHAR SHARMA | ONE97 COMMUNICATIONS

Revenue Category: ₹100-500 crore

My rags to riches story

Time was when, says the rather boyish-looking Vijay Shekhar Sharma, chairman and managing director of One97, a mobile value-added services (VAS) company, when he didn't even have money to buy a bus ticket. He just walked to his destination. From a small town in Uttar Pradesh, with nothing more than modest means to boast about, he says he had little to lose then, and has little to lose now as the owner of a ₹250-crore company. That includes time—which probably explains why he doesn't wear a watch.

AS TOLD TO TEJEESH N. S. BEHL
PHOTOGRAPHS BY SUBHOJIT PAUL

I believe success comes about in two ways—one, when you have nothing to lose and two, when you have everything to lose. In my case, it was a mixture of both. I come from Aligarh, from a not very well-to-do family. I was a bright student throughout school. Because my schooling was in Hindi medium, my early years at Delhi College of Engineering were spent translating the technical jargon of my professors from English to Hindi.

In that sense, I over achieved by just being an engineer. I was the first in my family to be one. Whatever I did after that—starting a dotcom venture, Indiasite.net, a search engine, that I later sold off, or working with a telecom solutions company where I was paid a very handsome salary (which became the seed fund for One97), were big jumps forward. I was always moving from

nothing to something more. But, given my background, becoming an entrepreneur meant losing other things like a stable government job with its many social benefits, and being seen as an eligible bachelor.

People think I'm a man in a rush. I wouldn't deny that charge. I was 15 when I entered engineering college. Most of my other classmates were 18. I ran my first business for two years, between 1997-99, before I cashed out. At my next company, Lotus Interworks in New Jersey, I bailed out just two weeks before completing a year. Being with the organisation for a year would have enabled me to get stock options. But I didn't really care about that. I felt I had saved enough capital for my seed fund.

I launched One97 in 2000 with that money. We started as a people search com-

pany. India's early telecom years saw the birth of the missed-call phenomenon to save on talk-time costs. I had a mobile phone and used to get missed calls, but had no clue about the caller's identity. So I started One97 to enable consumers to find the name of the person who was calling by simply messaging the number to 197. Over the years, we've diversified into offering services to consumers such as music, enabling better network utilisation through services such as customer analytics, and offering cost reduction in enterprise delivery systems.

A business is supposedly about making money, but actually, a business is about ideas. Businesses flow from great ideas. I realised early on that compared to the internet, there's much more opportunity in telecom. Its eco-system is far bigger than the internet market in India. There are many applications of it, and many people are impacted. It's exciting and a challenge to cater to these different needs. For example, when we built applications for the rural market, we consciously decided to offer it in the local dialect. For that, we selected village leaders or the *sarpanch* to record the content.

I'm a total nerd when it comes to the internet. What I want to do is to make sure that whatever is there on the internet should have a mobile phone application as well. I realised during my start-up years that technology was ransomed by a few large companies. Since I come from an internet background, I know what consumers really want, and how to help them consume from a cloud platform.

Things have been good. In this fiscal year, we're looking to clock ₹250 crore in revenues. Hopefully by 2015, we should be making a billion dollars annually. There's so much buzz around valuations. But these don't excite me. For me, the thrill lies in achieving revenues. Our only focus right now is the billion-dollar mark.

But, of course, it's not going to be easy. Doing business in India is very tough. I really feel if you can run a company and



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make profits in this country, you can probably do it anywhere in the world. We want to build m-commerce and digital commerce in India but there is a trust deficit about transactions on the mobile platform. You need to build trust first and m-commerce will follow.

We've also started the One97 Mobility Fund to help fund start-ups. First generation entrepreneurs do not have access to capital or the experience of running a company. All of us who have done so know that in the first two years of your business, you don't make money. So we have invested in early stage companies which VCs don't typically look at.

I know first-hand how important venture capital is. One97 raised its first round only as late as in 2007. I feared that taking somebody else's money came with its set of caveats, and that it would limit what I could or

could not do with my own company. But that's more of a myth.

For us, there's also a tactical advantage in investing small amounts in early stage companies—much before the valuations rise exponentially. Our sweet spot is usually \$1 million (the fund is worth \$100 million). We invest in complementary technologies. An early stage company gets the advantage of our expertise and we get a head start. Our investments enable us to invest in companies that we could possibly buy out though we do not restrict the entrepreneur from selling if he gets a good offer. A case in point is Singapore's Tencube, a mobile security solutions company which we invested in, and that was later acquired by McAfee.

I enjoy working on the fund and our portfolio companies. Yes, my attention does get divided between One97 and the fund but

fortunately, we have a great team in both places. I always say that a great company is about having great company. We are a young company (most of the directors on the board are in their thirties and forties). There's a rush of adrenaline in our office. These are exciting days of growth. I have a big fear, that one day I'll grow old or worse, senile. What if I have ideas, but am not be able to communicate them?

Because of where I come from and the way I was brought up, money wasn't a big

deal for me. I'm not a voracious shopper. I don't have too many avenues to spend money on. My objective is to create something worthwhile in my lifetime.

Having said that, if somebody were to offer me a billion dollars today, I'll definitely be tempted. But seriously, that's very far ahead. I've had some offers over the years but like most founders of businesses, I'm very emotionally attached to my company. I'd like to remain hands-on for as long as I can.

When a founder is at the helm, things move fast. You just can't expect an outsider to run the company the way you imagined it. It's not fair to them. Anyway, the thrill is in building the business. I certainly don't want to live just an investor's life. Which is why, I admire people like Steve Jobs, Sunil Bharti Mittal and Rupert Murdoch (but not for the recent phone-hacking controversy!) for still being actively involved in operations. **●**

**Companies:
Below ₹100 Cr**



Company	Sales CAGR%
Vikas Global One	631.0
EdServ Softsystems	561.6
Sreepathi Lab	314.2
Excel Entertainment	310.0
Kejriwal Bee Care India	268.2
FATPipe Networks India	228
Sai Service Spares & Accessories	215.4
Acrotech	200.8
IBI Chematur	198.9
Sanraa Media	196
Enzen Global Solutions	191.4
Protech Galvanisers & Fabricators	167.7
Cura Technologies	162.2
Aradhya Wire Ropes	121.2
VHCL Industries	117.6
JP Infrastructure	114.5
Nila Infrastructure	111.8
Armtech (India)	107.9
Econix Hi-Tech Components	106.8
Manthan Software Services	106.7
b4S Solutions	105.4
Rainox Wires	93.1
eka Software Solutions	90.5
Deep Industries	88.5
SB&T Designs	81.5

**Companies:
₹101 Cr to ₹500 Cr**



Company	Sales CAGR%
SRS Real Infrastructure	331.6
RMP Infotech	287.3
Vikas Granaries	253.7
Bhanot Construction & Housing	235.9
Tara Health Foods	203.4
Mynah Industries	197.5
Kalpataru	183.3
ASEEM Global	176.1
Asahi Infrastructure & Projects	162.2
Trinethra Infra	158.4
Orbit Corporation	150.8
Horizon Infrastructure	143
Balaji Coke Industry	134
Linkson International	124.5
Mittal Corp	117.2
Driplex Water Engineering	113.1
Baba Arts	103.8
UPL Environmental Engineers	103.8
One97 Communications	98.2
AQUA logistics	95.6
Confidence Petroleum India	90.7
Everonn Education	89.8
SeQuent	88.2
Vishwa Infrastructure and Services	86.8
Champalal Motilal Steel Company	86.4

In The Right Space

It's tough to get a lot of information on companies in this band of turnover. Which is exactly why these two lists make for such good reading. They point to the future, and to emerging companies that are poised for more.