

ASA Ventures COO: Applying private equity model into venture capitalism

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Dubai gave Danish the seamless learning curve in the private equity and venture capital ecosystems. (Supplied)

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It is difficult to imagine how private equity business models can be replicated in a venture capital environment. It is also difficult to imagine a 19-year-old holding off his studies to expand his family business.

Danish Rizvi, COO of ASA Ventures, has done both. Hardened by struggles during formative years, Rizvi has succeeded in various industries and investment ecosystems and progressed to become a reason behind the success of his company. The most exciting part of his story is that it is still a work in progress.

"I started off my bachelors from a university in Karachi but had to drop out after a couple of semesters due to some unfortunate events in my family. The responsibility of my entire family logistics business fell on my shoulders. I started heading the business, learning

about its dynamics, planning, and implementing various strategies to stabilize and expand into different verticals, and that's from where my professional journey began," says Danish.

Over a period of six years, Danish successfully developed the business, launched a container line operating in four destinations, resumed and completed his MBA. He then handed over the responsibility to his mother and moved to a commercial bank in Pakistan as credit analyst.

"By age 26-27 I wanted to prove myself in the financial world. For this, I had to take the route of strategic planning, development, and marketing management rather than continuing to work in the back office," he says.

Danish joined an investment bank with the focus on marketing. He executed mergers and acquisition transactions, debt syndications, headed trusteeship assignments and fulfilled corporate advisory functions.

As Danish was intrigued by the world of investments and applying creative and optimizing strategies he worked in different financial institutions and finally landed in Dubai in 2013 with the objective of enhancing his network, social capital, financial proficiency, and expertise.

PE and VC

As perfect multicultural financial hub, Dubai gave Danish the seamless learning curve in the private equity and venture capital ecosystems with transactions and opportunities to learn from around the world.

"Private equity and venture capital industry was the perfect match with my investment banking knowledge and analytical experience. I further learnt a lot on various optimal capital and fund structures, legalities and requirements for various jurisdictions, and how to implement the critical elements an organization needs to grow and to be successful from industry to industry," Danish recalls.

"The governance, regular monitoring and active management of the assets acquired is an essential requirement in the private equity transactions. It is also important that the strategies are diligently drawn, KPIs set and then revisited from time to time, it's a continuous process," he added.



The Saudi Arabian market is transforming rapidly, presenting plenty of opportunities for growth, says Danish Rizvi. (Supplied)

He understood and saw that as the nature of PE and VC was slightly riskier than the debt transactions and as the markets were moving toward being more conservative in last few years toward lending, the two areas have been expanding.

According to him, “there is no dearth of good venture capital opportunities and if similar concepts and practices of private equity are applied to the VC opportunities then the potential of the VC industry growth is more than our expectations.”

Danish was aware that venture capital is a whole different animal. “You are talking about startups that started a year or six months back or are in their ideation phase, then why active management and operations of those companies should be denied. They need more help in stabilizing and hand holding in their operations and marketing,” Danish says as he lays down the scenarios.

Perfect blend

The usual practice in the VC ecosystem is about judgment, assessing the concept, analyzing the numbers, how the founders will work it out and then guiding them through their strategies on a broader level. When Danish came across ASA Ventures the missing pieces of the puzzle came together, the right network, the financial expertise, the operational and marketing management support of all the acquired startups.

The CEO of ASA Ventures, Arif Saiyad, has a strong background of technology, creative productions, operations, marketing and sales. ASA Ventures was established in Portugal in 2003 and subsequently moved to Dubai in 2013 due to geographical advantages. Currently, UAE dominates the startup industry in the MENA region.

According to the MENA Annual Venture Report for 2017, UAE startups secured 400 million in investments, which accounts for 84 percent of the whole deal value of the region. Saudi Arabia is a close second.

“Since we’ve been in Dubai after Portugal, we’ve expanded to Mauritius, Pakistan, and India. Now, we’re looking into extending our operational and financial expertise to Saudi Arabia, Oman, Sri Lanka, and a few countries in Africa,” Danish says.

The Saudi Arabian market is transforming rapidly, presenting plenty of opportunities for growth. On the region’s biggest economy, Saudi Arabia, Danish says. “As it is opening up, it is creating effective steps to encourage the start-up industry. There are also cultural shifts as the fashion and entertainment industries have opened up, triggering a change in consumer behavior,” he adds.

“We are looking to expand in Saudi Arabia because we believe that we can provide a global reach and a unique space for those ideas and innovations,” adds Danish.

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