



# On top of strategy

For Jignesh Sanghvi FCCA, CFO of Dubai Multi Commodities Centre (DMCC), the role is all about giving the business the strategic expertise it needs to keep growing

**T**he view from the top of Dubai's 63-storey Almas Tower is spectacular, with the sea on one side and the massive development of Jumeirah Lakes Towers on the other. For Jignesh Sanghvi FCCA, CFO of Dubai Multi Commodities Centre (DMCC), the panoramic views from the skyscraper are a constant reminder of the breathtaking scale of development in the city.

With the UAE's workers spanning virtually every nationality on earth, the breadth of the multicultural environment can be overwhelming for some newcomers. For Sanghvi, who has lived in Dubai for the past 17 years, the city's diversity is a career bonus. 'It gives you a fantastic platform that you probably won't find anywhere else,' he says. 'It opens the world for you.'

Dubai, one of the seven members of the United Arab Emirates (UAE), has been turned into a global gateway for commodity trading by DMCC. More than 13,700 companies make use of the infrastructure and services it supplies: access to facilities such as gold and diamond vaults, and trading platforms such as the Dubai Gold & Commodities Exchange, the biggest derivatives exchange in the Middle East. As master developer of Jumeirah Lakes Towers, DMCC also manages a 200-hectare lakefront community.

## Strategic impact

With such enormous assets at stake, Sanghvi's financial leadership of the organisation is of strategic importance. 'We see ourselves as custodians of government assets and hence it is extremely important for us to ensure we operate in the most transparent way,' says Sanghvi, who was named Government CFO of the Year in 2015 and 2016 by *The CFO Middle East* magazine. 'We need to be judicious in everything we do and consider the wider repercussions.'

Over the years, Sanghvi's day job has evolved away from the more mundane finance tasks of corporate finance,

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CV

**2006–present**  
CFO, Dubai Multi Commodities Centre (DMCC)

**2003–06**  
Consolidations manager – eastern hemisphere, Chicago Bridge & Iron, Dubai

**2000–03**  
Senior auditor, Shah & Associates, Dubai

**1996–2000**  
Auditor, Sanghvi & Associates, Ahmedabad

accounting and reporting into a strategic two-part role as business liaison officer and strategic adviser.

As business liaison officer, he ensures DMCC has the very best corporate governance and risk management protocols in place. He says: 'Governance and risk management are so embedded in DMCC's robust framework that all DMCC's business decisions are taken at committee level. That then takes me to my other core function of strategic adviser, providing support to our CEO and executive chairman.'

As strategic adviser, he develops and defines DMCC's overall financial strategy, ensuring that all business units are aligned and able to meet their own strategic objectives. He says: 'Every day I spend time with DMCC's businesses trying to conceptualise and develop new projects. I also sit on about a dozen

committees, including the executive committee, human resources, IT, governance and risk, and procurement.'

## Beyond numbers

The days when finance professionals were merely expected to crunch numbers, produce annual reports and manage budgets have gone, he adds. While such key tasks still need to be done, they are now more of an operational matter and fall in place automatically if everything is in order.

'Being a CFO today means you're actually sitting with respective businesses to give them all the support they need to run their products and services,' he says. 'I play a key role alongside the CEO in communicating the progress on strategic goals to our stakeholders.'

In 2015, Sanghvi took on the role of company secretary on the DMCC's advisory committee, alongside membership of the boards of Concordia (DMCC's facilities management arm) and the Dubai Gold & Commodities Exchange.

'A financial director has to have knowledge of everything,' he says. 'Personally, it's my passion to know what's going on in the financial, commodities and currency markets in addition to



**'If you're not on top of what's happening beyond your industry and geography, you can't add value and you won't be a strategic partner'**





geopolitical influences. You need to be on top of what's happening in developing and emerging markets beyond your industry and geographic scope, otherwise you cannot add any value and you won't be a strategic partner.'

Now in his 12th year at DMCC, Sanghvi has been instrumental in transforming the organisation, navigating through choppy waters during the global recession, or more recently, digitising the business to ensure employees and customers can operate as efficiently as possible.

### Digitising Dubai

He says: 'We've taken the digital transformation very seriously – all our services that can be online are available online. You can be sitting in any part of the world and still establish your business or apply for employee visas.'

DMCC works closely with the Smart Dubai initiative, which promotes the use of digital technologies to make Dubai run efficiently and to promote happiness and wellbeing in the

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emirate. 'We have also partnered with select banks in the UAE so that customers can visit any of their branches and complete transactions any day of the week. Business never stops at DMCC,' he says.

With the UAE preparing to introduce VAT from January 2018 at a rate of 5%, there has been a nationwide effort by the ministry of finance to familiarise the country's businesses with the new system. How it will be applied to free zones in the UAE has yet to be decided through secondary

legislation and guidance.

Sanghvi expects the new tax code to be complex, as tax planning has been non-existent to date in the UAE. DMCC appointed KPMG Lower Gulf as its VAT adviser in June 2017 and conducted a series of seminars for industry-specific clusters within the free zone. 'I'm leading this initiative and I'm present in all the seminars,' Sanghvi says. 'We're going to continue that engagement process.'

Meanwhile, he explains that DMCC is expanding in size through the Uptown Dubai project. 'We're adding seven new



## i Tips

- \* Sanghvi believes that successful accountants need to be regarded by clients and colleagues as a trusted business partner. 'If people can't trust you, then you can't progress as a finance professional,' he says.
- \* He believes that accountants have to be able to anticipate what's coming, adapt to the situation, and, if that doesn't work, innovate. 'That's my mantra: anticipate, adapt and innovate.'
- \* While finance remains male-dominated in many organisations, almost half of DMCC executive committee members are female as are almost half of Sanghvi's team, including two financial controllers. He advises women in finance never to lose heart. 'There will always be short-term challenges, and not because of your gender – that's just the nature of business,' he says. 'But as they say, cream rises to the top. No one can stop you; it's just a matter of time and you will succeed.'

companies every working day, so we need to bring them offices and residences,' he says.

Uptown Dubai is a massive mixed-use development formerly known as Burj 2020 District. With 200 retail outlets and 3,000 flats as well as commercial offices projected to fill its 10 million square feet, it is the largest expansion project DMCC has carried out in many years. The first phase encompasses more than two million square feet of development, and construction will get under way by the end of this year.

### IFRS Standards

The accounting sector has helped make these big projects happen, notably by following International Financial Reporting Standards (IFRS). 'By allowing comparability of reported figures with other entities all over the world, having IFRS-compliant financial statements will help us tap the international debt/equity market and raise the necessary funding for our development projects, if the need arises. It will also enable us to compete internationally with global brands,' Sanghvi says.

IFRS Standards became mandatory in the UAE in 2015, but DMCC has used them since its inception, says Sanghvi. 'Following international reporting standards is a sign of a global and sophisticated finance function,' he says.

## i Basics

Dubai Multi Commodities Centre is the largest free zone in the UAE, with over 13,700 companies representing more than 170 countries and across 20 business sectors under its jurisdiction. A government entity, it was established in 2002 to enhance commodity trade flows through Dubai, providing a marketplace for commodities, financial services, trading resources and investment platforms. An average of seven new companies set up in the zone every working day. DMCC was named Global Free Zone of the Year in 2015, 2016 and 2017 by the Financial Times' *fDi Magazine*, which recognised its sustainable growth and strong customer service.

'We've made changes to make ourselves more efficient, so we're delivering more than we're expected to,' Sanghvi says. 'We can now do more with less. We've also been highly selective in getting the right people on board.'

All finance team members have been with DMCC for at least eight years. 'With that much experience, we have full visibility of what's going on in each business. If something is going wrong we can immediately sense it. This also speaks volumes about DMCC as an organisation – it provides career growth opportunities for employees.'

There are eight professionally qualified accountants on Sanghvi's team, including two with the ACCA Qualification. The internal audit and compliance departments also have ACCA-qualified employees.

Sanghvi was born in Ahmedabad, India, and qualified as a chartered accountant there. He moved to Dubai in 2000. After four years in the emirate, he realised that if he wanted to take his career to the next level, he would need an international qualification. He chose ACCA, becoming a member in 2005.

'As a globally recognised qualification, ACCA offers an opportunity to stand out in a rather crowded finance community. ACCA offers a firm launchpad for a robust finance and accounting career,' he says.

As well as a bachelor's degree from Gujarat University, he has an MBA in finance from Symbiosis Institute of Management Studies in Pune, India. With the advent of VAT, he is now considering a specialist course in taxation, and also treasury. 'I already have more than 15 years of experience in the treasury field, but want to be more challenged. You must continually invest in yourself.' **AB**

Heba Hashem, journalist based in Dubai