

# A Resilient Industry attends Manthan 2019 Despite Mumbai's Torrential Downpour

**As Mumbai practically came to a standstill owing to incessant rains over the last 24 hours, the gems and jewellery industry got together at the Manthan conclave today to learn from the best of the best**

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After a one-hour delay, the audience slowly started trickling yesterday morning, at Sahara Star, where the second edition of Manthan was all said to take place amidst Mumbai's tormenting rainfall. Manoj Jha, Convenor, GJC, who confessed that he had a sleepless night wondering whether or not the event will take place said, "The fact that people have turned up despite the bad weather shows the spirit of the industry and that they want to learn."

Anantha Padmanabhan, Chairman, GJC, engaged with the audience narrating his inspiring and humbling story. "We started with a 100 square feet space with Rs.10000 and 1 lakh bank loan. I have not had the kind of exposure my sons have had. Everything I know today is because of my father and he has taught me to put consumer at the pinnacle," he said. Speaking about the industry, he said,

"The last 18 months have been a struggle but I still go around with a smile. I think the key is to be positive. I started with a humble beginning but I dreamed. If we don't look behind and

learn from our mistakes, then there is no way we will grow.”

### **Creating a World Class Institution**

In a discussion moderated by Shaankar Sen, Vice Chairman, GJC on creating a world class institution, **Vikram Limaye, MD & CEO, NSE**, gave insights on the current economic scenario and what the industry can expect from the budget which is due July 5th. **“The economy is currently facing challenges. Given our role in the global economy, we will be impacted by what is happening globally as well. Having said that there is a lot going for us in terms of potential growth driven by domestic factors. We have enough going for us in terms of boosting GDP. Consumption has slowed and government spending has also gone up. This is not a good sign,”** he said.

He suggested that the view on budget shouldn't be parochial. **“The budget is always an important event. We have to look at the budget in the context of not necessarily specific steps or exemptions. The government should signal the direction of reform. The government is focused on increasing savings, infrastructure development and also remove agricultural distress.”**

He insisted that the Indian economic architecture is not at a state where it can take rapid growth. **“NSE plays a big role and works with the government in fixing these issues and also what kind of policies have to be put in place. Even in the commodities market, we ensure that it has to evolve in a long term perspective – like for instance where we would like the gold market to be in a few years.”**

### **Resolving Funding Crisis**

The most talked about issue at the moment is the liquidity crisis that is currently plaguing the industry. **The panel included Kewal Handa, Chairman, Union Bank of India, Biju Patnaik, Senior VP, IndusInd and Himanshu Shekar, Director, Manoharlal Sarraf & Sons.**

On how to develop a trust with the banks, Handa said, **“This industry has brought a lot of pride to us. Banks recognise the fact that there is a lot of opportunity in this industry. We are not averse to funding this industry. At one point of time pharma and cigarette industries were most hated. They worked with the government and they developed strong ethical stand. Your association now really has to act up. You need to work with the government and weed out all the black sheep. This industry also should work on its transparency.”**

On banks understanding of the industry, Patnaik said, **“Banks do their analysis about what happens in every industry. Having said that, banks see two things - transparency and profitability. Banks really don't look at second way out collaterals. In pure gold retail, profitability is lower and volume is higher.”**

From the jeweller's point of view, Himanshu said, **“Right now the government mood is not of facilitating our industry but regulating our industry. Our industry is mostly self-funded. We have no startups in our industry - we are traditional jewellers who have been into manufacturing and later retailing. So we need to put ourselves in the banker's shoes. They have to lend us money purely based on face value.”**

### **Synthetic Diamonds and their Impact**

The hottest topic right now is the eternal war between the lab-grown diamond and the natural diamond industries. Moderated by **Nirupa Bhatt, MD, GIA (India & Middle East)**, the session on lab-grown diamonds and its impact on the natural diamond industry had **Jignesh Mehta, MD, Divine Solitaires** and **Amish Shah, Founder, ALTR**, a lab-grown diamond company.

Speaking on why consumers would want to buy a mined diamond when there is a cheaper alternative, Mehta said, **“The consumer essentially buys the idea behind a diamond. We are not selling commodity or a piece of carbon. We are selling the whole idea of diamond, it’s story, which is a billion years old. Diamonds don’t have any functional use. It’s the emotional and asset value that makes diamonds very desirable. We are all concerned about our business and we want answers. The only thing we can do is adapt.”**

Amish Shah comes from a family that has been dealing with natural diamonds for decades. On why he decided to explore the lab-grown space, he said, **“We have been into natural diamonds for so many decades. But what we realised is that our industry is not used to disruption. We need to understand that the decision lies with the consumers - earth mined or created, it is really their choice.”**

### **Is Luxury about Exclusivity?**

A panel of veteran personalities from the field of luxury came together to discuss about the nuances of luxury and its ever-evolving perception. The panelists included **Sachin Jain, MD, Forevermark**, **Ramesh Nair, MD & CEO JLL**, **Sarosh Mody, Founder, Luxury Watch Works** and **Hardik Parekh, Partner, Parekh Brothers Jewellers**.

Speaking on how luxury brands have changed the way they function, Jain said, **“Earlier, luxury brands were very touch me not and had a guarded approach. Now luxury brands are becoming more inclusive and are more open. Youngsters have a very different way of consuming luxury. Luxury brands are not saying I am luxury so come to me, they are saying I am authentic, so buy my brand.”**

On the real estate front on how millennials look at luxury while buying a property, Nair said, **“A lot of millennials are looking at buying a home as whether it is something they really need. They don’t want a big Pooja room or a kitchen. And on the office side, millennials are very happy with co-working. On the retail side, millennials are happier with experiences. Luxury is not a very light word in the real estate industry over the last few years.”**

On what true luxury means, Mody said, **“The Indian consumer is quite uninformed about where premium begins and luxury ends. People always make a beeline towards the more commercially successful brands. But for me as a person, I would like to wear a more artisanal piece that is not worn by every Tom Dick and Harry. So for me exclusivity comes from the fact that few pieces are made and I have an exclusive right to owning one of those pieces.”**

When it comes jewellery, Parekh said that luxury is a sense of comfort, **“It is a shifting term. Initially brands that used to sell products worth 1000 dollars are now selling products that are worth 50 dollars, to make it accessible. Luxury is exclusivity, the touch and feel of the product. We have to have products, which are exclusive and we need to set the right prices for the same.”**