
August 29, 2004

The Indian sparkle at Antwerp

Antwerp: Which Indian company has a turnover of over \$1 billion, has 15,000 employees, and is rated world class? Of course, there's the mighty Reliance. Maybe the oil monopolies. Then the troika of info-tech majors: TCS, Wipro, Infosys.

How about Rosy Blue? Never heard of it? Most people haven't. And strictly speaking, Rosy Blue is not an Indian firm; it's Belgian.

So are Eurostar, Vijaydimon, Gembel, and Arjav Diamonds. They are all diamond houses headquartered in Antwerp, Belgium. But they are founded and led by Indian diamantaires.

The sparkling success of Indian diamantaires is one of our lesser-known sagas, although it's been featured briefly in this column before.

To realise its full dimension, one needs to visit Antwerp where, it is said, God decided to rest the diamond business. Some 90 per cent of all world's diamonds pass through this city. Now, more than half, probably two-thirds, go through Indian hands.

The world's diamond mining is dominated by De Beers. Rough trading, cutting and polishing is the Indian domain. The South African giant sells rough diamonds to an exclusive club of 'sightholders'. De Beers has only 85 sightholders today. Nearly 50 are Indian.

Open any diamond industry magazine and you'll see more than half the advertising is from Indian firms - Bhavani Gems, K Girdharilal, D Navinchandra and M Suresh are muscling out Tache Diamonds, Moshe Levy, A Schwartz and Sons.

In Antwerp's Diamond District, Gujarati mingles with Hebrew, Flemish and French as the lingua franca. Any Jewish, Belgian and Lebanese diamantaire will tell you the Indians have run away with the business.

The Indian success is mostly attributed to what the locals call cheap goods and cheap labour; Indians produced diamonds out of roughage others

discarded by taking it to Surat and Mumbai where (initially) sweatshop workers coaxed out little sparklers.

Now Indians have moved up the value chain and the locals are looking at other attributes - their industry and family values.

The diamond business works on trust so most firms are family-owned and run (Rosy Blue is about the first to break the mould). In fact, the top half-dozen firms are all related by marriage.

The scion of Gembel is married to the daughter of Vijaydimon; Vijay's daughter is married into the Eurostar family. And so on.

Almost all top diamantaires trace their origin to the small town of Palanpur on the Gujarat-Rajasthan border.

In Antwerp, they all work in the same block of less than 500 square meters and often in the same building on different floors. They are of same stock but they are also fierce rivals - from nine to five.

After that - and on holidays - they let their hair down in the most extravagantly desi manner possible. This includes multi-million dollar weddings for which they fly down assorted Khans, Khannas and Kapoors.

Last Thursday, they rented the biggest local movie hall called Metropolis to show the movie Dhoom (just to hang out together; the top line have home theatres).

Cricket is the other passion. Each year, the desi diamantaires play against a De Beers XI. The games are million dollar affairs - one year they called Colonial Cousins to perform; then Cirque du Soleil; then Bombay Dreams.

Last week, Kapil Dev came by - just to say hello to old friends. On Friday, some of them headed to the Belgian Formula One Grand Prix (yes, some of them own Ferraris and Lamborghinis).

Earlier, locals who lost their business to Indians also attributed it to Indian thrift. Now they are awed by the extravaganzas.
