

# A diamond in your budget

Opting for slightly lower scale in clarity, colour and carat weight can bring down the cost substantially

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If you were planning to buy diamonds this festival or marriage season, and worried about getting the right price, there's help. Diamond sellers are increasingly becoming more transparent about pricing and quality of their precious stones. Buyer can now log on to the internet, compare prices based on different features and take a more informed call.

Take Sapna Mahajan, a physiotherapist in Mumbai, who wished for a diamond ring since she got married six years ago. Recently, her husband and she purchased a 0.4 carat diamond for around ₹60,000. "There has always been fear about paying the right price. For a layman, it's not easy to assess the quality, for a little difference here and there can change the price. But, after a few weeks of research and comparing the prices on the internet and at jewellers, we gained confidence," she says.

At the basics of evaluating a diamond are the 'four Cs' — colour, clarity, cut and carat weight. "The prices, however, can still change, depending on many aspects such as symmetry, fluorescence and depth. That's why a person should opt for a diamond that is certified by a reputed third-party body such as Gemological Institute of America or International Gemological Institute," says Jignesh Mehta, managing director, Divine Solitaires. The certification will ensure the buyer gets the stated colour and clarity.

## FOURCS

**Colour:** For the vast majority of untrained observers, it is difficult to distinguish the colour grade in diamonds, unless these are seen side by side in a controlled environment. The smaller the stone, the more difficult it becomes to distinguish colour with a naked eye. At a jewellery shop, the lighting and illumination makes it more difficult.

For example, the best diamonds are considered to be colourless. But, within these, there are three classifications — D, E, and F. This is where the certification comes handy. The grading varies from colourless to diamonds with a yellow tinge. There's also high demand for pink diamonds, rare and more expensive.

**Tip:** If you have a low budget and opt for a diamond less than one



## COLOUR SCALE

D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
COLOURLESS			NEAR COLOURLESS				FAINT				VERY LIGHT				LIGHT							

Source:Gia

carat, opting for colour grades G to J can help bring down the cost by around 20 per cent. These will also appear as colourless as the highest graded diamond.

**Clarity:** This is a measure of internal defects of a stone, called as inclusions. These can be crystals of a foreign material or other structural imperfections. As in case of colour, a diamond with lower clarity can appear to be flawless to a naked eye.

**Tip:** The topmost scale for clarity of a diamond is FL (flawless). Then comes IF (internally flawless), then VVS1 and VVS2 (very very slightly included). Depending on the budget, buyers can opt for the latter or even a grade lower. If a person is opting for a higher colour scale, opting for a lower clarity grade would still make the diamond look beautiful.

**Carat:** This measures the mass of a diamond. The value increases exponentially in relation to carat weight, since larger diamonds are both rarer and more desirable.

**Tip:** Calvin John, vice-president (offline marketing) at CaratLane, says most of the diamonds sold are

around one carat. "If a person opts for a slightly lower carat, say 0.97 rather than 1, he or she can save up to 35 per cent. At the same time, visually, there will be no difference between the two," he says. This can also be applied to other popular carat weights such as 0.5 and 0.75.

**Cut:** This is all about the craftsmanship, as diamonds don't show their beauty as rough stones. Instead, they must be cut and polished to exhibit the 'fire', 'scintillation' and 'brightness'. A well-cut diamond can easily make up for the lower scales in clarity and colour. The cut of a diamond determines its ability to reflect and refract light. A number of factors, including proportion, symmetry, and the angles of various facets, are determined by the quality of the cut.

**Tip:** Jewellers tend to use these terms loosely. Stick to the scaling of independent third-party certifications. Opt for a cut that is excellent or good.

## Investing

Many companies are also promoting diamonds for investments. For

instance, to boost buyer confidence, companies such as Divine Solitaires have started their own price index. It publishes revised rates of diamonds every month. If the buyer wants to resell, the company claims the jeweller must give at least 90 per cent of the diamond value shown in the index. If the jeweller will not, the buyer can approach the company directly. But, experts suggest, retail investors should not look at diamonds as an investment instrument. That's because determining the quality of a diamond is difficult, unlike that of precious metals such as gold and silver. There aren't any formal markets either that one can look at to exit their investment.

After a person purchases a diamond, ensure the serial number in the certificate is also inscribed on the diamond. Experts say the buyer should not compromise on the certification and go for the one that charges a lower fee. "There are local certifying labs but they can succumb to the jewellers' pressure and give a slightly higher rating than what the diamond deserves," says John.



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If a person opts for a diamond with slightly lower carat, he can save a lot. One can look at carat weights such as 0.97 or 1.45 rather than one carat or 1.5 carat.

There are at least 10 different popular cuts today, which include round, princess, heart, and emerald. It makes more sense to go for a round brilliant cut, especially if someone is buying for investment. These have better resale value. Also, investors should go for diamonds with higher carat weight. Investors should buy a diamond of one carat rather than four small ones of 0.25 carat. Small ones — great for jewellery — don't have a resale value. To find the worth of diamonds in your kitty, refer to the Rapaport Diamond Report, the jewellery industry standard for pricing of diamonds. It's published weekly. If you are planning to buy stones for jewellery, always buy diamonds and gold/platinum separately.

GIA and IGI are the most popular certifications in the market. The corresponding serial number of the certificate is laser-inscribed on the diamond. Using it, the person gets diamond details even on internet. Don't ever go for certification that jewellers issue.

Diamonds don't fade but they might start losing lustre or seem yellow. This is because of dirt. The owner should take it to a reputed jeweller who can treat the diamonds with an ultrasonic cleaner.