

## *Chapter 1*

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### You Just Got Conned!

Jay had been stuck in the same place for the last twenty minutes, a block away from the hotel. He had never been happier in a traffic snarl. He hoped the serpentine queue of cars was a testimony to a renewed interest in art in India. He wasn't late but he wanted to be early so he made the sacrifice of getting out of his Mercedes S Class and emerging into the humidity of the Mumbai afternoon, making his way slowly to the entrance. As he approached the gilded gates, he realised that the snarl ahead was the result of a Bollywood star and a politician arriving simultaneously. In Mumbai, if Bollywood, cricket and politics came together, it was a given that the event would be a success even before it started. He knew that the cricket element was inside already. After all, he had given a pass to the biggest icon of the game himself. The afternoon just kept getting better and better.

He had been deluged by requests for passes. He had ignored most and politely declined others. The art industry

had grown and maintained itself on the basis of exclusion, both cultural and financial. He hadn't become an insider to demolish the snobbishness of the art elite. He had actually been pleasantly surprised by the demand for passes, especially since the last four years had been very bad for business. The global financial meltdown in 2008 had hugely affected the art industry. Transactions had died almost completely, forcing many of the art galleries, which had mushroomed across the country over the past decade, to shut down.

In this particular case, it had helped that an internationally renowned auction house was organising the auction. The auction had been billed as the 'Re-emergence of the art industry in India'. The event had become the hottest topic of discussion within the incestuous social circles of Delhi and Mumbai. The usual scramble to utilise their networks and call in favours to ensure names on the invitation list had followed. Every such event was akin to a relegation in super division football. The stragglers were relegated while the top performers amongst the second rung were elevated. The constant flux kept everyone on their toes.

People who had received the invitation made sure that everyone knew it, while those who were still trying to get one spoke about non-existent prior commitments which would mysteriously disappear if they actually succeeded in cadging an invite. The auction house had already changed its venue to a larger banquet hall in the same hotel to meet the extra demand.

A socialite had told him a few days earlier that she hadn't seen such a mad rush for a social event since the wedding

reception hosted by the Mittals at Versailles Palace in 2004, when steel baron, Lakshmi Mittal's daughter got married. Over a thousand guests had been flown in from across the world to attend the grand party. It had lasted over a week and was rumoured to have cost a staggering \$60 million. The fortunate few who had been invited to the reception had 'carelessly' kept the invitation cards under glass tabletops in their living rooms where guests could see them.

When he finally reached the main reception area outside the banquet hall, he discerned a buzz of commotion and excitement. The crowd here could be divided into three categories. Those he knew, those who knew him and those who did not matter. He greeted everyone with the same warmth. He well remembered what a cold shoulder had felt like, back when he was new to the art scene, and he had no intention of making enemies tonight. He had enough of those anyway.

This was the kind of gathering that kept Page 3 alive and gave tabloids their *raison d'être*. The women looked exquisite. His eyes fell on Patty, noticing that the bitch still looked attractive. She hadn't put on an ounce since the last time he had seen her without her clothes on. The material of her dress clung to her curves, accentuating her full figure. She was holding court like a queen. Despite the fact that she no longer wielded the same power in the art world, as the owner of two distinguished art galleries she was still a regular at such events.

He cursed silently when Patty caught him looking at her. She broke off her conversation and moved towards him. It had been a long time since they had spoken and he wasn't sure he wanted to break that streak.

‘Hello, Mr Malhotra. Mustering up the courage to talk to me, are you?’

‘Nope, just trying to figure out how much weight you have put on. Your dress makes it rather easy. Have you been sleeping with your physical trainer lately?’

‘Oh ho, someone’s surly today. Can’t blame you though. Can’t find a buyer for all the Navaratnas on sale tonight? You know I would love to help you out. But I guess I would rather have your pants taken off and let people see what didn’t impress me.’ She turned away abruptly.

He watched her walk back to her coterie of admirers. Normally, he would have tried to get in the last word, but not tonight. He knew he would have the last laugh eventually. Patty didn’t know that he had managed to arrange buyers for five of the seven Navaratnas coming up for auction.

It had been a close call though. He had to strain every sinew to ensure they were picked up. He couldn’t have done it if it hadn’t been for his friend Biswas Mukherjee, the art expert. Biswas had spoken to a few museum curators on his behalf and convinced one of them to bid for four paintings. But what he really looked forward to seeing was the reaction in the room when he bid a record-breaking amount on behalf of Deepak Patel.

He had found him by sheer luck. Or actually, Deepak had found him. Whatever it was, the encounter was what had put him in such a good mood. The turnout at the auction and the preceding buzz had given him hope that the other two paintings would be picked up too.

People had begun lining up at the auction almost an

hour earlier to register themselves and receive their paddles. Paddles helped identify bidders by virtue of specific numbers that were designated to them by the auction house. However, not everyone required paddles to bid; a mere raising of hands was sufficient if you were known to the auction house. A smile appeared on Jay's face as he recalled the story of Rembrandt's portrait. At the Christie's auction at London in 1965, the legendary American collector Simon Norton wanted to bid secretly for the painting and left the following instructions with Peter Chance, Christie's auctioneer:

'If seated, I am bidding. If I stand up, I have stopped bidding. If I sit down again, I am not bidding unless I raise my finger. When I raise my finger, I am bidding until I stand up again. Then I have stopped bidding.'

Simon sat throughout the bidding, but confused the auctioneer Peter Chance by bidding aloud and then remaining silent. Chance became convinced that although seated, Simon had stopped bidding. When the bid rose to 740,000 sterling pounds, Simon remained seated and silent. Chance panicked and sold the Rembrandt to another investor. Simon immediately stood up and disputed the result, stating, 'I had never stopped bidding, read my instructions out to all those present in the auction room.' The auction was restarted after some delay and Simon eventually bought the painting for 798,000 sterling pounds.

But that was then. The days of simple auctions were over. Auctions today were complex, run by psychologists and masters of understanding, interpreting and manipulating consumer behaviour. From the invitation list to the seating arrangement,

everything was done according to a master plan.

The invitation list had been carefully crafted to include an interesting mix of bidders and attendees from past auctions, including the private clients of distinguished galleries. This list was handed over to the pre-sales team, whose job it was to confirm background information provided on the different people, understand their level of interest in art and the artists whose works were to be showcased at the auction. By the end of the exercise, the sales team had pruned the list significantly. Face-to-face meetings were held with the top 100 people on this new, curated list, to educate them on the lineage and provenance of the different artworks and to assuage their interest in specific ones to be showcased at the auction. These discussions were carefully documented and passed on to the auctioneer, along with any queries received regarding the condition of specific works.

Benjamin Bell was the auctioneer tonight. Jay had met him a couple of times before. He was the best in the trade, having sold three out of the top ten paintings in the world over the past two decades. He knew how to create excitement and tempo. He operated much like a lap dancer, caressing and teasing his audience, keeping them on the edge of their seats while still ensuring decorum in the room.

‘Only 10 per cent of those waiting in the hall are bidders,’ said Benjamin, sipping his whisky.

‘And the remaining 90 per cent?’ asked his assistant, puzzled.

‘Freeloaders,’ said Benjamin, smiling. ‘They need to be entertained.’

‘Really, why?’

‘Because if I don’t have them jumping in excitement, cheering every bid, the active bidders will lose interest. Everyone likes an audience, especially those spending hundreds of thousands of dollars,’ he smiled.

Benjamin knew his performance had to be excellent tonight; there was no margin for error. He had been rehearsing his speech for the past hour: ‘Mr Gandhi on my left, sir, would you be kind enough to start the bid on this exemplary piece of art,’ he said, taking a peek at his black diary.

This magical diary contained critical details not only on the lots being presented but also seating arrangements of important clients and their preferences. When a particular lot came up for sale, Benjamin would know who was interested in it beforehand and use this knowledge to make specific queries, often coaxing one collector to bid against another.

He was the master of the ring. He charmed the bidders and created the impression that the paintings were within their grasp. He teased them, knowing full well that only one of them would be the final victor. But instead of feeling dejected by their loss, under Benjamin’s spell, the bidders felt even more committed to winning the next lot by bidding higher. The fiercer the fight and participation, the higher the bids and the greater the sense of victory for the winner. Benjamin could tell when a collector needed cajoling and time to make another bid. He could also identify those who were disciplined and could not be sweet-talked into bidding a penny more.

When Benjamin conducted an auction, one thing was certain: he would extract the last possible bid from the auction

room before throwing down the hammer and announcing the victor.

As Jay glanced through the auction catalogue, he could see immediately that the sale was orchestrated to ensure maximum participation and guarantee the highest bids. There was no point in keeping important lots at the beginning of the auction when participants were still settling down, acclimatising themselves, women adjusting their blouses while men pulled on their trousers scratching their balls. It was the smaller lots with lower expected prices that were auctioned off right at the beginning, building momentum and tempo. These were followed by those artworks that were likely to meet or exceed their expected value, generating excitement and creating auction fever. The most sought after works of artists like V.S. Gaitonde, Tyeb Mehta, M.F. Husain and S. H. Raza were clubbed together in Lots 60 to 68, the painting by Rabindranath Tagore strategically placed between them at Lot 65. Artworks which were considered difficult to sell were placed right after well-known lots which were expected to evince interest and feverish bidding. This was the case with some works that were placed in Lots 69, 70 and 71. Similarly, in the case of two artworks by the same artist, the one enjoying greater prestige was kept first, the other introduced later. A well-known Mehta was slotted for Lot 10, followed by another, less-known one in Lot 11.

Even the seating arrangements were strategically planned. While most well-known art connoisseurs, critics, collectors and investors were seated in the front rows, a few were placed at the back to ensure even participation from all corners of the

room. Collectors who were known to feverishly bid against each other were tactically placed together. Other high visibility areas such as the aisle seats in the middle of the auction room were occupied by dealers expected to bid actively. Under Benjamin's watchful eyes, the stage was set for a battle royale, a massacre that would create headlines the next day.

Jay was seated in his regular place, a few rows from the front, right by the aisle. He had used his influence to get a front row seat reserved for his client, Deepak Patel, a successful industrialist but a newbie in the art world. Seated among the art snobs in the front row, Deepak stood out like a sore thumb. The snobs represented the insiders of the art community and the auction was an opportunity for them to display their aristocracy, patronage and taste. They hugged and air-kissed, feverishly discussing both established and upcoming artists, dropping names generously. This insider group was a key influencer in the art community, the self-proclaimed guardians of high culture and taste. The exclusive club met regularly at auctions, openings of new art galleries or art exhibitions. They belonged to the same social group, lived in similar, posh neighbourhoods and had attended the same elite schools and colleges.

Jay looked at the well-dressed men and women and smiled to himself. They may have been the art doyens but there was another breed of investor coming up now—first-generation entrepreneurs who had amassed significant wealth in new age industries—who wanted a share of the art world. Deepak was one of them.

Jay recalled how a completely unknown person had stolen

the show at a Sotheby's auction a few years ago. Dressed casually in a blazer and sitting at the back of the room, this middle-aged man had broken all auction norms by bidding aggressively for Picasso's *Dora Maar au Chat*, a 1941 portrait that was the main attraction of the night. As he waived his paddle furiously in the air driving the price to \$65 million (the estimate price being \$50 million), his competitors started dropping away. No one knew the identity of this mysterious buyer who had bid a staggering \$95.2 million for the painting by the time the hammer finally fell. Had Sotheby's known him, he would have certainly graced the front rows of the auction room.

One thing was clear, he was certainly new to auctions, otherwise he would not have participated in the bidding process so early on, nor would he have waved his paddle with such ferocity.

Jay usually avoided being present at auctions himself, choosing to operate discreetly via the phone. This was a practice adopted by dealers who preferred to keep the identity of their clients hidden. At a Sotheby auction a few years earlier, a very well-known dealer in the art circles was bidding via his mobile phone on behalf of his client for Picasso's *Garçon a la Pipe*. As the bidding intensified and reached in excess of \$75 million, this dealer's face suddenly turned white, his nervousness obvious to all. Unknown to the auctioneer, his phone battery had died. A little bewildered, the auctioneer asked him if he needed more time. The dealer snatched his neighbour's phone and dialled his client frantically to re-enter the bidding process at \$77 million. Eventually, the dealer's

client was the under-bidder with the painting selling for a record \$104 million, the highest for a Picasso work and a world record at the time. Jay wondered what would have happened had the dealer not remembered the phone number of his client, a highly plausible scenario in today's age of technology.

Jay was hoping a few records would be broken tonight as well. He had made a personal appearance because his client specifically wanted him to bid for a work by Rabindranath Tagore, one of the Navaratnas slotted for Lot 65.

Benjamin greeted the gathered crowd and began the auction. Smaller lots by Ram Kumar, Husain, Gaitonde and Raza were hammered away for between \$50,000 and \$200,000, creating excitement. It was almost as if the last boat was leaving town and everyone wanted to be on it. The ones making the maximum noise were regular bidders but seldom buyers. They wanted to be seen bidding by other participants but their intention was never to get caught at the end of the line. It was all a show of prestige.

Benjamin cleared his throat ever so subtly as he introduced Lot 10, a much sought-after masterpiece by Tyeb Mehta. He knew that there were six well-known collectors of Tyeb Mehta in the room; seven enquiries had been received regarding the condition report of the artwork and, most importantly, a Mr Diwan from Delhi had lost out the last time this artwork had been showcased at an auction almost a decade ago. Would Diwan let the painting slip from his hands again? Not if Benjamin could help it.

The bidding began at \$600,000 and increased in lots of 100,000 till it reached \$1.5 million. It slowed down

considerably after that. Benjamin knew that there was still one last bid to be had from Mr Diwan. He coaxed him to bid just a little more to ensure that he didn't go back empty-handed. After all, who knew when this painting would come up for auction again? Would he lose out again for want of a few thousand dollars? Finally, the hammer fell at \$1.55 million and Mr Diwan emerged the proud and happy owner of the Tyeb Mehta.

Gradually, the tempo increased along with the pitch of Benjamin's voice. People could feel the rising anxiety levels in the room. Some were sweating, others were at the edge of their seats, but there were still others like Jay who sat comfortably, not impacted by the environment. Deepak Patel did not display a similar cool, instead jumping in his seat out of excitement, much to the annoyance of his neighbours.

After a few popular contemporary paintings had been sold, the first of the Navaratnas was introduced at Lot 30, a painting by renowned nineteenth-century artist Raja Ravi Varma. This was followed by five others at Lots 34, 37, 38, 45 and 51. Jay was happy to see the reception that they received. It was apparent that the auction house had done a good pre-sales job. The museum he had introduced earlier had finally won three out of the four paintings it had bid for but at prices much higher than expected. If this was any indication, then the last painting by Tagore would be aggressively bid.

As the auction progressed, the atmosphere in the room became electric. At Lot 63, a much sought-after Gaitonde was introduced. Feverish bidding led to the hammer finally falling at \$3.8 million, setting a new record for contemporary

artwork in India. Even before the audience had a chance to settle back down, Benjamin introduced Lot 64, a large acrylic on canvas from Tyeb Mehta's Mahishasura collection. He gave a satisfied smile when he ultimately sold it for \$3.2 million.

At last, Lot 65 arrived, the artwork of legendary writer, poet, philosopher and artist Rabindranath Tagore. The untitled painting was a portrait of a veiled woman with a melancholy expression. Jay knew that the exuberance created in the room by the sale of Gaitonde and Mehta was definitely going to rub off on the bidding for this lot.

He remained calm as the bidding began. He knew that Benjamin was aware of his interest in this painting and he kept looking in his direction. He waited for the initial excitement and tempo to calm down, then right when one of the other bidders thought that the painting was within his grasp, Jay signalled his interest with a slight movement of his hand. Most others would have raised their paddle, but not him. He was an insider, too well known in this circle. His gesture was immediately noticed by the spotter who stood at the side of the room.

'We have a new bid here, sir,' announced the spotter.

Benjamin couldn't hide his smile. Jay had finally entered his ring and as the ring master, he was going to make him pay for it. The front rows turned back to see who this new entrant was. Animated discussions and loud whispers could be heard from all corners of the room.

Jay entered the bidding at \$300,000. He was almost immediately overbid at \$350,000, which he countered again

at \$400,000, drawing much cheering and applause from the crowd.

Just as Jay was settling down in his seat, smug in the knowledge that the painting was his, there was a counter-offer of \$450,000. The noise level in the room went up perceptibly. The art doyens surrounding Deepak Patel had their eyes glued on Jay. He knew there was only one question on everyone's lips, 'Will he? Won't he?'

But Jay was in no such dilemma. His instructions were clear: buy the Tagore regardless of price. And so with a slight gesture of his hand, Jay made the counter-bid at \$475,000. Benjamin called out to the room for any counter-offers at \$500,000 and waited for a few moments to allow people to gasp and collect themselves. He once again called for any counter-bids at \$485,000, and then after a few moments, he slammed the auction hammer on the table, announcing the sale to Jay Malhotra at \$475,000, a new record for the work of Rabindranath Tagore.

When the auction ended, Jay reached out to his client, congratulating him on his magnificent purchase. Deepak had wanted to be identified as the buyer of the work in front of the larger auction room. It didn't matter to him that the painting had been bought at nearly \$150,000 over the estimated price. What mattered was that he had made a grand entrance, one that had been seen by the most exclusive art circles in the country. When the very same people who had ignored him at the beginning of the auction came over to congratulate him and ask his opinion of Tagore's work, Deepak knew he had arrived on the art scene.

By the end of the evening, all eighty pieces of art had been sold with three setting new records. Collectively, the patrons had shelled out nearly \$16 million. There was no doubt that the auction had been a grand success.

Jay was relieved. The new benchmarks set by the Navaratnas would help cool the nerves of those clients who were heavily invested in their success and stability. But there was no time to rest. Every day presented a new challenge. There were too many sellers in the Navaratna market, but buyers were few and far between. He didn't see the broad smile on Patty's face as she left the auction room, otherwise he would have been worried.

