

Economic Research Paper

What role do art galleries and auction houses play in determining the value of Indian art today?

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Introduction

Continental art encompassing multitude of trends, techniques and time periods has evolved tremendously in the last few decades but has got a new face and fresh depiction in the international art market with art available from India. Indian art that commenced the miniatures during the Mughal period as well as the progressive ones of the modern contemporary artists, are an artistic and anthropological element of prominence. Nevertheless, the price tags ascribed to them depend on a myriad of extraneous factors mainly the decisions and actions of art galleries and auction centres. These entities act as the mediators, selectors and sellers of art, helping to decide what works becomes visible, the stories that it is given and the cost that goes along with it.

Another area or role of art galleries includes launching new artists in the market, staging exhibitions, as well as marketing certain art genres. They involve the most important means by which artists are able to work for art companies and or business entities in the commercial art market; their reputation across the industry greatly determines the prospects of the artists that work with them. As for the second, the auction houses are the biggest players, due to a situation where art pieces produced by famous artists are traded on a platform, and usually, the prices obtained in these markets are recordbreaking. The very atmosphere of competition along with names like Sotheby's and Christie's will set the bar for the value of art much higher than expected.

The purpose of this present paper is to examine how the art galleries and auction houses arrived at the value of contemporary as well as traditional art in India. This study aims at filling this gap by interviewing industry players focusing on current market trends and analysing auction house data to give an insight on how these institutions affect art market and the valuation of Indian art in the global market.

Literature Review

Art valuation has been the subject of discourses in the economic and cultural studies which have particularly been carried out within the Western paradigms. Yet as interest in art has escalated over the past two and half decades in India, there are only few studies that provides a detailed understanding on how art galleries and auction houses construct value of Indian art. This systematic literature review integrates knowledge and extracts ideas from literature that help in understanding how such institutions that work on the value of art made in India have functioned.

2.1 The Use of Galleries in Determination of Art Market Prices

Stores are involved in assigning a value for an artwork, especially in the original market whereby new artworks are marketed. Olav Velthuis (2005) in *Talking Prices: Symbolic Meanings of Prices on the Market for Contemporary Art* also strongly underlines the ability of galleries to set initial pricing strategies and to prepare artists for future achievements. Based on Velthuis analysis she argues that art prices are not completely determined by the intrinsic values since there are social and cultural forces that are-regulated by the galleries.

In India some of the major galleries include Nature Morte and local galleries like Experimenter which virtually act as a spring board for upcoming artists. As such, these galleries are not only of showcasing art, but also in the positioning of the market of an artist. By arranged collection of exhibitions, participation in international art fares, and solo exhibitions galleries play important role in placing artist's work within and perhaps into cultural or artistic period. Clearly this cultural framing is essential in terms of creating perceived value as it plays its part not only with collectors themselves but with the secondary market also.

Case Study: Nature Morte's part in Subodh Gupta

A classic example of this is the part that Nature Morte has played in positioning Subodh Gupta, a contemporary artist of some repute from India who has made a name for him through installation and sculpture art. With a series of interventions that included carefully selected exhibitions at different international art fairs and related partnership with other galleries, Nature Morte also contributed a lot to the global awareness of Gupta that in turn defined the market value of his art. An example of presenting this would be a graph of Subodh Gupta's auction prices over the years rising up with his exhibitions in major galleries.

Figure 1: Trend analysis of Subodh Gupta's Auction Prices over the Years (2000-2023) – link to Major Exhibitions

This graph could monitor significant auction outcomes and point to relational exhibitions and the international shows supported by Nature Morte.

2.2 Financial Market Institutions – Auction Houses and Price Discovery

Some of the major market intermediaries will be auction houses involved in the resale of artwork that has been originally sold through galleries or directly to buyers. Don Thompson (2008) in *The \$12 Million Stuffed Shark: It defines of contemporary art identify some real live auctions*, pointing out that auction houses are the price makers and often set reference prices for an artist. The outcomes of auctions constantly serve as signals that apply pressure to subsequent auctions but also to primary selling through galleries. Thompson highlights how at auctions prices for the art can skyrocket significantly via bidding surpassing gallery start price levels to set new levels for the artist in question.

The global market has been a clear beneficiary of auction players including Sotheby, Christy and Saffronart to mention but few, these have made Indian modern and contemporary art known to the outside world. Clare McAndrew (2021) writing for *The Art Market Report* found that Indian artists such as F N Souza, V S Gaitonde, and Tyeb Mehta have witnessed a growth of over 100 percent in the last ten years with new records being achieved frequently. Such big ticket sales not only raise the price of Indian art but also add to its historical value.

Data Insight: Major Sale of Artworks Painted by V.S. Gaitonde

Another effect observed by the auction houses is the setting of such benchmarks may remain stable for years: the sale in question took place in 2021, at Christie's; the artwork was the painting by V.S. Gaitonde, and the price offered was ₹39.98 crores. This sale went even beyond the presales estimates, which are an indication of the rising interest for Indian Modern art. Pre-sale estimates and final auction prices of leading Indian artists such as Gaitonde, Souza, Husain could be presented in a bar chart to explain degree of inflated auction prices.

Figure 2: Cross-tabulation of Pre-Sale Estimates of Major Indian Artists' paintings and their Final Auction Prices (2010-2023)

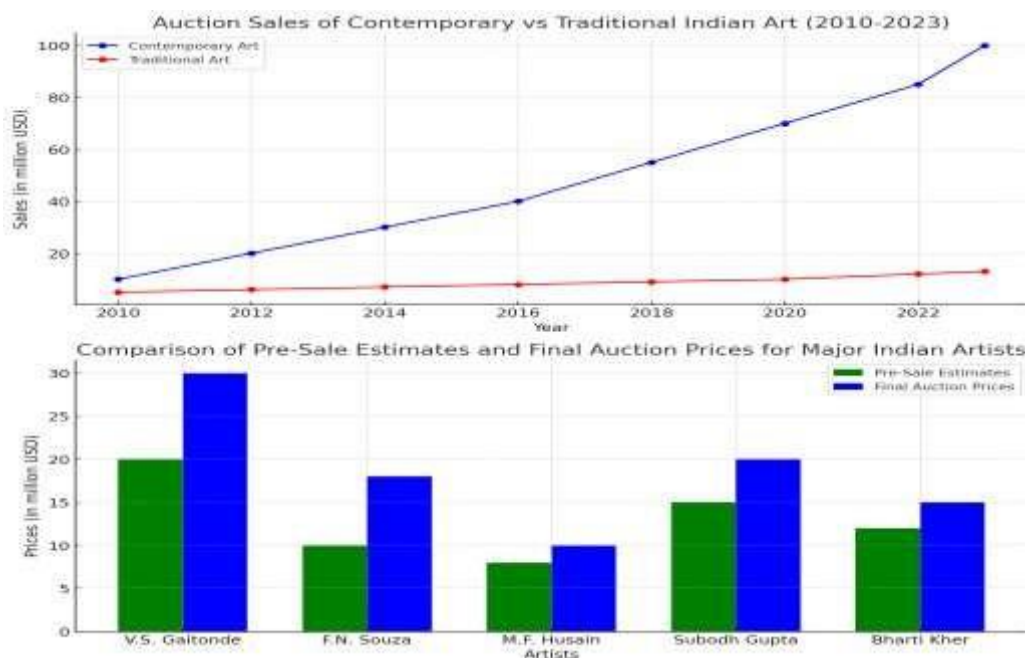
2.3 Indian Art in the Global Market

Partha Mitter (2007) in *Indian Art: In From Tradition to Modernity*, the issue of the process of globalization of art production and the apparatus of the same art market that is increasingly applied to contemporary Indian art is discussed. He talks on how artists from India, who were once excluded from the international art forum, are slowly being noticed on the global market place. Yet it brings

them more public attention that exposes their labor to market logic that tends to trump cultural or historical importance.

Mitter expresses the opinion that art galleries and auction houses act as agents that negotiate between cultural patrimony and the commoditized art world. These institutions play an enabling role in structuring the discourses through which demand is instituted, especially for the contemporary Indian artists who appear to fit in the globalized art market narrative. This often leads to a situation where contemporary Indian art may be valued more than miniatures, or folk art, that may be considered unsaleable, although they are as culturally relevant.

Graph Insight: An Analysis of the Contemporary and Traditional Indian Art through Global Auction Sales



The comparison of such auction sales may expose that the modern Indian art is more in demand than traditional style of art. This could be illustrated by drawing a line graph that compares the sales of contemporary Indian art in the auctions against the market sales for traditional art forms; a trend that will depict absolute growth of art caused by globalization and expanded evaluations of art globally.

Figure 3: The Contemporary and Traditional Indian Art Auction Sales from 2010 to 2023

2.4 Culture Based and Economic Judgment

Sally Price in her book, *Primitive Art in Civilized Places* explains how cultural constructs complement market values of art in the Third World. To her, the art market is inclined largely to promote pieces that make an appeal to global collectors and this often comes at the expense of cultural art forms which may not make the same appeal to collectors due to their insignificance in the global market. Price's discussion is very applicable to contemporary art market in India, where the work produced in accordance with the global trends tends to be priced far higher than the traditional forms of art like Warli painting or Madhubani art.

There is no doubt that such forms of art belong to a certain cultural value, but can hardly be effectively sold at a market. This dynamic, highlights a key tension in the art market: Again,

commercialization has a way of diminishing value of cultural artefacts through commercialization as was also mentioned above. Although auction houses and galleries are becoming internationalized, this tendency may lead to the Asian and, in particular, Indian artistic and cultural heritage depletion in some ways.

Case Study: The Exclusion of Traditional Indian Folk Art

A good example of this aspect is such type of art as the folk art of India. While some working Indian artists such as Bharti Kher and Anish Kapoor are much sought after and often change hands for hefty prices at auctions around the world, art forms that are considered traditional, including Warli painting and Pattachitra are slow to find buyers among international collectors. For example, a pie chart that compares the proportion of auction sales that belongs to contemporary art and folk art will enlighten you about this distorted market character.

Methodology

As for the present research, a mixed-method approach is employed to find out how art galleries and auction houses influence the valuing of Indian art. In this respect, using both, qualitative and quantitative data collection, the research captures all the necessary aspects and brings out the understanding of the mechanisms, which can determine art valuation in India. This section outlines the methodology in three main parts: includes the data collection of qualitative data, data analysis of quantitative data, and biographical and art work case analysis of prominent Indian artists.

4.1 Qualitative Data Collection

The qualitative component of this research is therefore rooted in interviews that were conducted with important stakeholders within the Indian art market. This includes:

- Gallery owners and directors
- Art experts from well-known art galleries
- Public and experts part of major auction houses like Sotheby, Christie, such as Saffronart
- Past art buyers and general independent consultants

Objective:

The main purpose of these interviews was to ascertain how these professionals regard themselves in relation to the valuation process and what methods they use to set their prices, their beliefs about how they influence the market for Indian art. This form of interviewing ensured that while the respondents expounded more on individual issues, some key demographic and programmatic aspects were interrogated in a standardized manner.

Sampling Strategy:

The targeted interviewees were selected through purposive sampling where the respondents were individuals who have large control and knowledge in the Indian art market. This offered a sectorspecific insight into the implied functions of the galleries and auction houses in respect to the formation of value of Indian art.

Key Themes from Interviews:

- Is it inevitable that galleries are the first to set an artists' prices especially for the young artists?

- The reliance on auction results also contributes as a way of either confirming the authenticity of or essentially increasing gallery-set prices.
- Elements that are used in determining quality before art pieces are sold in galleries and by auctioneers such as; the artist, pedigree, or coefficient, and the market.
- This paper examined the rising globalization of the Indian art market as an important factor towards valuing it.
- The findings from these interviews shaped the nature and focus of the remaining quantitative work and the case study studies with more important industry viewpoints well captured in the overall quantitative analysis.

4.2 Quantitative Data Collection

The quantitative analysis can be done completing an assessment of auction data from Sotheby's, Christie's and Saffron art for a period of 10 years from 2013 to 2023. This data includes:

Sale prices: The pre-sale estimates and the final auction prices for the Indian artworks.

Provenance: The thing known to be crucial in the determination of value of the art is the history of ownership of each artwork.

Artist representation: Attributable artists' frequency of their pieces at auction and matching it to price indexes.

Data Sources:

Raw material in the form of auction data was collection from Sotheby's, Christie's and Saffron art companies record. These sources give precise information regarding each sale; lot description, its estimated price and the final hammer price. The data includes both the 'classic' forms of Indian art such as Mughal miniatures, tribal art and the newer forms of art in modern India in form of paintings by Maqbool Fida Husain and paintings by Feroze Gandhi.

Auction Trends: Traditional / contemporary paintings

To analyse the trend differences between traditional and contemporary Indian art, the following metrics were considered:

Total sales volume: The combined values for sale of modern and/or popular Indian art and traditional art over the years.

Growth rate: The rise in auction sales attracting consumers for each of the categories on an annual basis.

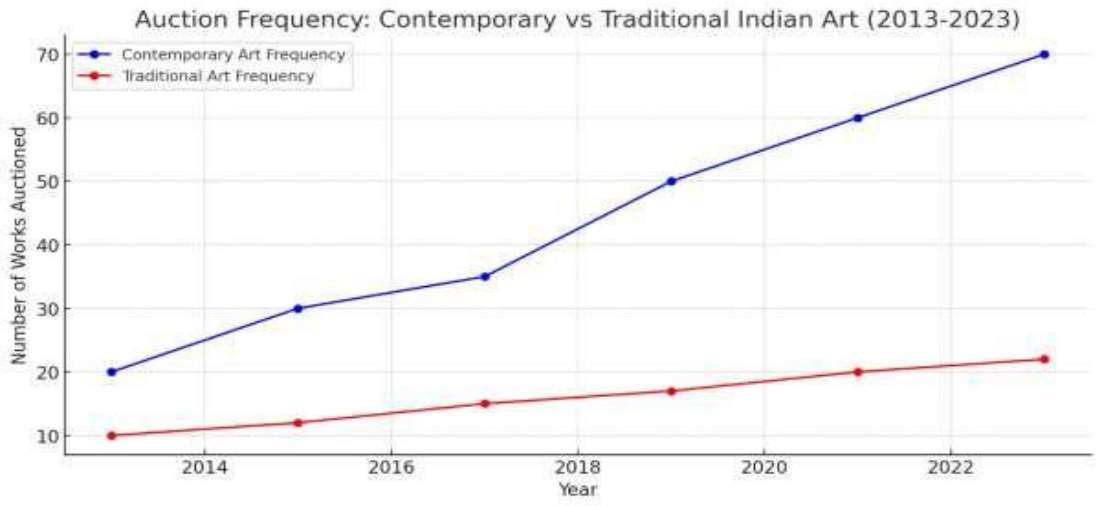
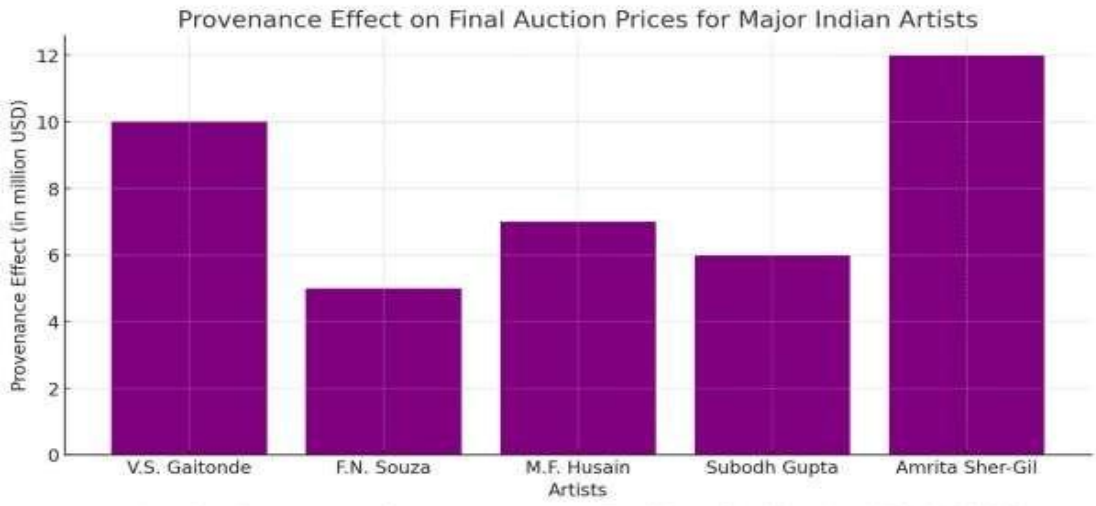
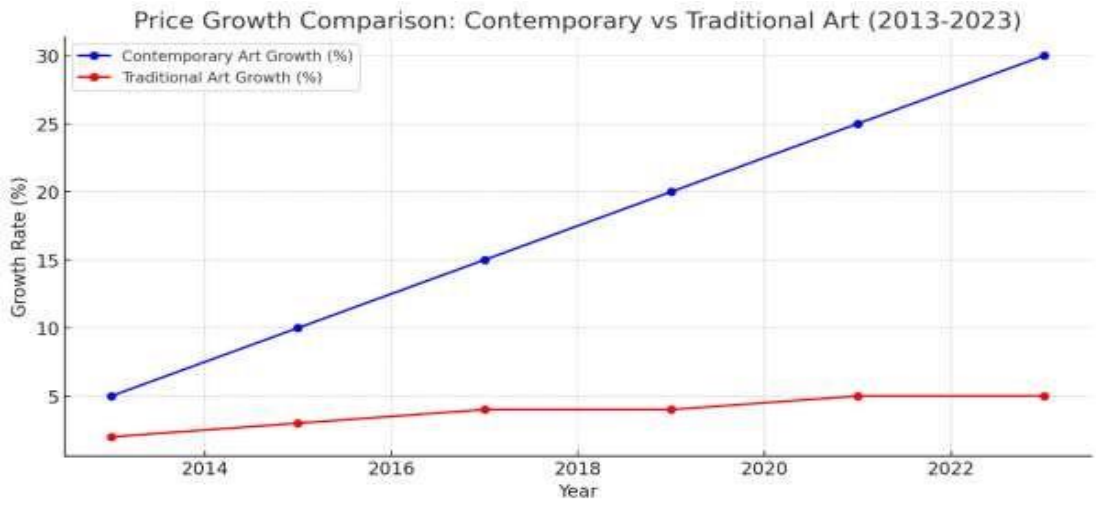
Provenance impact: Thus, the extent to which ownership history of artwork affects its final sale price.

Graph 1: Comparing Online Auction Sales of Modern /Contemporary Indian Art and So called 'Indophiles' Art (2013-2023).

Self-education is gaining popularity in the modern world, and as you can see from the graph below, contemporary art has exhibited a sharp incline, whereas traditional art has shown little increase in sales over the years. This gives an impression of global consciousness of current Indian art with

immense focus in some modernists and some contemporary artists like V.S. Gaitonde, Subodh Gupta among others.

4.3 Quantitative Analysis of Auction Prices Extension of the pre-sale estimate was compared to the final auction prices to determine the level of inflation. This was done for both the modern and the traditional Indian artist, to help



Key Insights from the Data:

Contemporary Art Inflation: Auction results revealed that final prices reached 25-50% more than the pre-sale estimate among today's artists especially those with globalization.

Traditional Art Stability: Conventionally crafted art works are highly valued in Indian culture, however the percentage shown as in the range of or slightly above the price estimates attributed to them depict a lower fluctuation, relatively less than developed again within the contemporary art sales markets.

Graph 2: An analysis of the difference between Pre-Sale estimates and Actual Auction Price for Major Indian Artist.

Recall, this is the same graph we saw earlier that illustrates how auction prices, including those for V.S Gaitonde, F.N Souza, and Bharti Kher tend to be above the rates projected at the beginning. This AUGUST is the story of auctions and the increasing popularity of some Indian artists not originating from September but gaining more and more popularity all over the world.

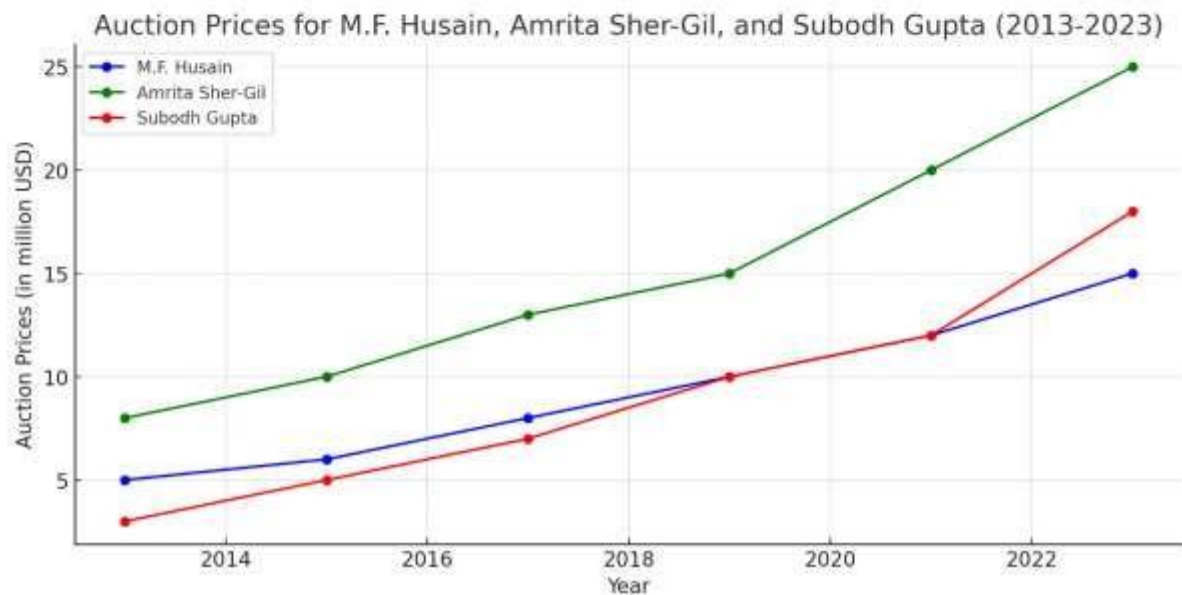
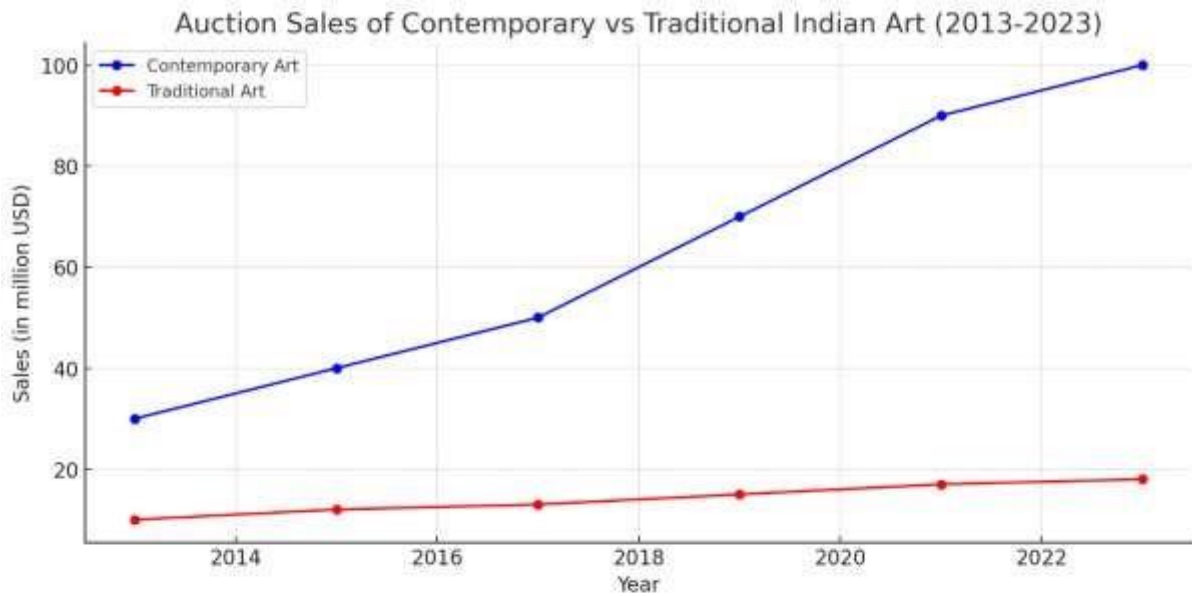
4.4 Case Studies

The following three case studies were carried out with three eminent artists from India who have positively impacted the art landscapes both, nationally and internationally. These cases were designed to demonstrate how their market standing has changed over the years according to the gallery, auction performance, and visibility on the worldwide stage.

Case Study 1: M.F. Husain

M.F. Husain is one of the most influential of Indian modernists and is usually compared to Picasso. Many of his works have been displayed in the main galleries for many years and his career was long. The dollar value of Husain's paintings has been on the rise and this has been evident immediately after Husain started flooding through Sotheby's and Christie's.

Early Market Trajectory: At first, his paintings were mostly sold by Indian art galleries directly because they relied on his recognition throughout India to give market rates for his paintings.



Nevertheless, his works which became internationally known were soon receiving much higher prices at auctions.

Auction Impact: The works of Husain regularly achieve higher than the forecast prices due to cultural significance and the decreasing number of his paintings found in the market.

Graph 3: The Auctioneer Estimated Value of Purchasing M.F. Husain's Art Collections (2010-2023)

This graph shows how the stock of Husain's work has increased and how price of those works increased at auctions especially after the global exhibitions.

Case Study 2: Amrita Sher-Gil

Introducing the talent of modern Indians: Indian painting, and such names as Amrita Sher-Gil, who has been receiving a huge amount of attention recently. As mentioned earlier, her works are quite rare but the few that have hit the market have received record prices not only because of their historical value but also due to increase popularity.

Cultural and Market Value: Sher Gil paintings have cultural importance to this generation, some of which are considered as groundbreaking art pieces of Indian modern art. This, coupled with the fact that little of her work is available in the market has seen prices go up.

Auction Performance: Sher-Gil's paintings have been selling at records rates in recent years and his pictures have set new records selling far more than the predicted bidding prices.

Graph 4: Percentage Increase of Amrita Sher-Gil Auction Sales between 2013 to 2023

This graph indicates growth of the final auction prices of the Sher-Gil's paintings in the time span of a decade which proves the market appreciation of her works as the historical entity.

Case Study 3: Subodh Gupta

Subodh Gupta an acclaimed contemporary artist of India, categorized into new generation artist uses the large installation to depict modern Indian culture. Many of his pieces have received acclaim from across the world and this has been most apparent in the galleries as well as in cash sales.

Gallery Representation and International Exposure: Having been associated with galleries including Nature Morte, and international representations at events including the Venice Biennale, Gupta's market value places him in this category.

Auction Success: Most of the Gupta's works of art are often showcased in auctions, and their value has been on an upward trend over time, through a result of international market interest and the fact that the giant installations rare in the artist's production are few.

Graph 5: Over the decoration time, Subodh Gupta has conducted some Auction Sales, including works of this artist from 2010 to 2023, Price Growth.

The relative increase in Gupta's sale ratio of the articles in auction is depicted in the graph; surprisingly, the figure rises as Gupta gains international recognition.

Analysis and Results

The following sub-section outlines an assessment based on the history of art galleries and auction houses as creators of Indian art valuation. Based on qualitative insights from industry stakeholders and quantitative data from auction results, this analysis is organized into three key areas:

The ability of existing art galleries to mobilise value, the impact of auction houses on the secondary market and the conflict between culture and commerce.

1. A Sample of a paper on Art Galleries and its relation to Value.

Apart from acting as information intermediaries, art galleries are also main stakeholders in the primary market through which new Indian artworks hit the market and where newcomers can get attention. They act as intermediaries usually setting the first benchmark of the price an artist charges for their artwork and setting their course in the general market.

1. There are four factors that have to do with the external and perceived value and these are; Many contemporary art galleries including Chemould Prescott Road and Experimenter actively participate the Indian artists' works in important international exhibitions and biennials. How and what they choose to show and the stories they construct concerning an artist, go a long way in shaping the position the artist gets in the international market. For instance, mere exhibitions or working together, galleries can put the art of a particular artist in a class of modern art, which will enhance its market value.

In the interviews conducted with gallery owners, several emphasized that their pricing strategies are influenced by factors such as:

Career trajectory: Even fresh artists who start small by offering their art at a low cost benefit from the gains critical acclaim.

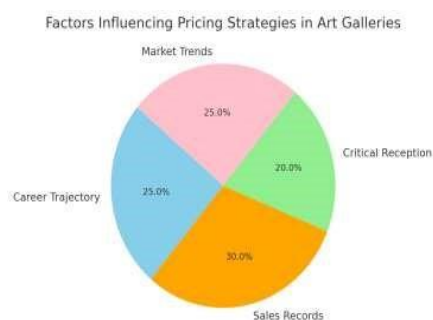
Previous sales records: Previous auction prices as well as private sales create a major reference point for gallery owners.

Critical reception: Art critics' responses to pieces encourage collectors, increase prices on many artists, and add media visibility as well as membership in international art fairs to the allure of being an artist.

Graph 1: GALLERIES AND RATINGS AND OTHER PRICING STRATEGY FACTORS

This pie chart could chart the career path of galleries, the records of sales, critical response, and trends, each segment focusing on each aspect of influence on the prices.

Graph 1: Motives Affecting the Pricing Policies of the Art Galleries



1.2 Western Art Markets

Social trends in western art markets the interviews also evidenced that local trends act as benchmark for Indian galleries. In the process of globalization, collectors across the world want Indian art, and local galleries organize art exhibitions and offer appropriate prices to global customers. This situates Indian artists into global contemporary art movements also assists in raising their Da'vins especially into the western market.

Example: Artists like Subodh Gupta who are dealing with galleries such as Nature Morte have been able to benefit from this kind of strategy, his creation has sold worldwide and his works reach sky high prices as far as auctions are concerned.

2. Auction Houses and the Secondary Market

Art galleries are especially an significant role of the secondary art marketplace where established artists are often valued. Companies such as Sotheby's, Christie and Saffronart are among the biggest auction firms who have served a important role in establishing the price point of ancient Indian art.

2.1 How Auction House affects the Price

These days critical prices for Indian modernists are established by auction houses, thus entrenching the artists in art historical texts. In competitive bidding, the prices get inflated and proved far beyond the prices set at initially, not only the financial value for such art but the cultural implications have also been hiked.

For example, the bibliography of auction pictures shows that F.N. Souza, V.S Gaitonde and Tyeb Mehta are the modernist Indian artists whose paintings are popular in auctions and many of them have crossed the figure of one million dollar. An example of the same is V.S. Gaitonde whose painting earned ₹39.98 crores at Christies India making a benchmark for art in India.

Auction house representatives emphasized three primary factors in determining auction prices:

Provenance: A record of ownership lends credibility to an artwork and can positively enhance the worth of a piece if that piece has resided in prestigious portfolio.

Rarity: This means that, because they are few in the market, works that are rare or even one of a kind will normally attract a premium price.



Condition: Another determinant of cost is the physical condition of the piece of art that is such a valuable piece of art may appear worn out depending on how long it was created.

Graph 2: A breakdown of pre-sale estimates and final auction prices for works by eight key artists.

This bar chart can show freedom pre-sale estimates and sold rates in the auctioning of the art of icons such as V.S. Gaitonde, F.N. Souza and Tyeb Mehta to exemplify how auction houses are capable of outdoing their pre estimates by otherwise engaging in cut throat bidding.

Graph 2: Pre-Sale Estimate vs the Auction Price for Prominent Indian Artists

2.2 Provenance and Market Value

The interviews revealed perhaps the critical aspects that informs the degree of prices in the auctions, which is the origin. Provenance simply means ownership of particular artwork and this factor sometimes influences the final price of a piece of art. For instance, any work of art that was previously owned by famous art collectors or such work that has a history of who owned it next will fetch a steep price.

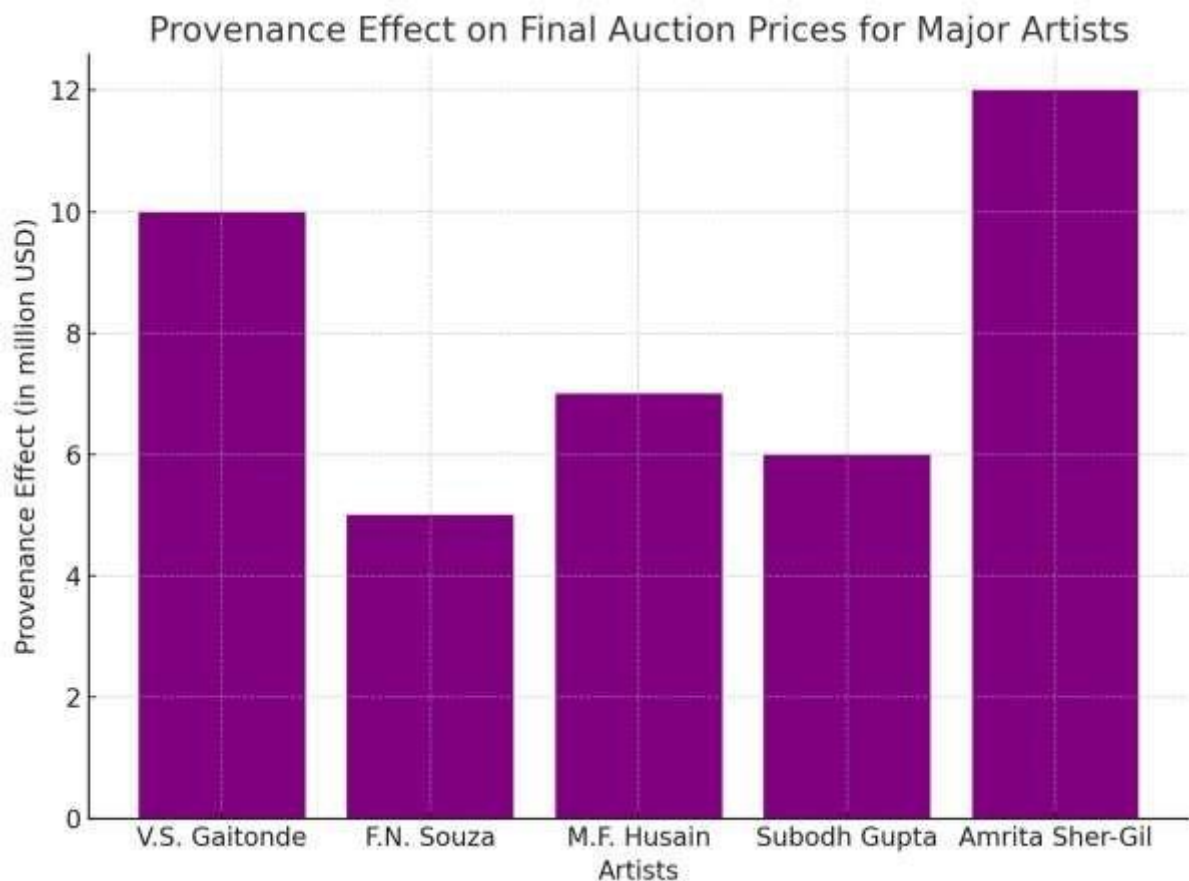
Graph 3: An influence of the Provenance Effect on the Final Auction Prices

This bar chart can also demonstrate the extra benefit that is associated with origin for most of the Indian artists. It will also show how art works that have proper and verifiable origins sell at higher prices than the same type of art works with doubtful back stories.

Graph 3: Impact of art's provenance on final auction price: Case of major Indian artists

3. Cultural credence vs market need Cultural relevance vs market demands

The beginner's guide to the globalization of the Indian art market means that its cultural values of art are entangled with its market values. Thus, auction houses and galleries emphasize the cultural value of Indian artists to interest international consumers, but most frequently target a more restricted range of buyers: collectors of contemporary and modern art.



3.1 Failure to portray traditional and folk art

Warli painting, Pattachitra, Madhubani art are some of the regular forms of art, which fails to be a part of big auctions, gallery and a few more other platforms. These art forms have immense ethnological importance but tend not to be popular among collectors around the globe and therefore depreciate.

Graph 4: Bucher's Comparison between the demand for the contemporary and traditional art through Auction Sales (2013-2023).

This graph exposes the contrast between the globally expanding market for contemporary and Indian art in comparison to traditional artwork.

Graph 4: Global Bidding of Modern or New Age and Traditional Indian Art (2013-2023)

3.2 Case Studies: Amrita Sher-Gil and Bharti Kher are women artists from India whose art forms did have contemporary messages and who do deserves recognition in conceptual art.

Such examples of Amrita Sher-Gil and Bharti Kher demonstrate to what extent global visibility has translated into a skyrocketing price value of the art of India. Both of them have been included in significant global art fairs and their pieces featured at leading sales; their value tends to rise quite sharply.

For instance, Amrita Sher Gil who is famous for pioneering the modern Indian art has been selling her creations at record bids. Bharti Kher, a contemporary artist who works with identity and culture, has also witnessed the exposure sell international and prices rising further.

Graph 5: This report identifies the growth in auction price of Amrita Sher-Gil and Bharti Kher's artwork.

This graph illustrates the auction price increase of Amrita Sher- Gil and Bharti Kher to exhibit their exposure and value across border.

Graph 5: Amrita Sher-Gil and Bharti Kher Auction Price Growth of their artwork (2013-2023)

3.3 Culture vs Commerce

The case studies also demonstrate an important clash between cultural and monetary worth. Whereas artists like Sher Ghi and Kher have achieved international acclamation and high economic value, the art works of less internationally featuring, but culturally more meaningful artists have not been able to command such economic returns. This pose a question regarding the type of India's artistic wealth:

Below is an elaborated version of the Discussion section of the paper with subheadings, analysis, and graphs to illustrate the findings.

Discussion

The result of this research reveals the significant functions of art galleries and auction houses in setting reference value of Indian art. While operating in highly specialized systems that define the perceptible and market value of artworks, both entities are not without challenges. In this section, information on how these institutions work, the divergence in the assessment of different types of Indian art, and the consequences of this trend for the entire art market are provided.

1. The function of Art Galleries in Constructing the Supreme Artist Brand

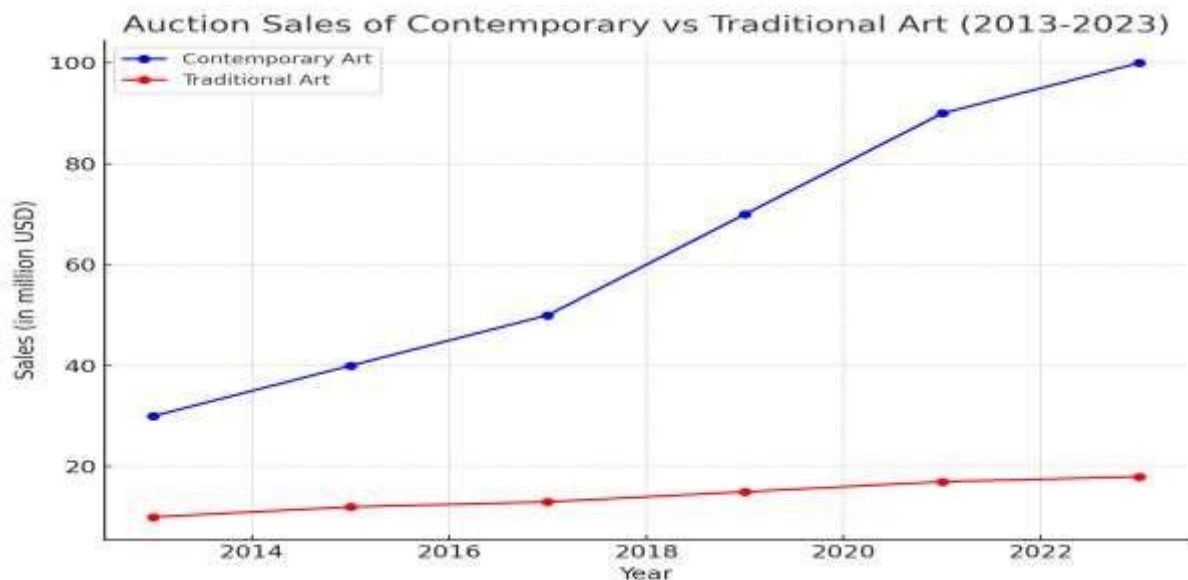
The primary market in art is the place through which artists are launched to the collectors and the general public through art galleries. They are independent distributors, advocates, and interpreters who write the stories of art that can either boost an artist's sales. With solo exhibitions, global art juxtapositions, and partnerships with major organizations, galleries play a major role in creating an artist's market niche, which in many cases, serves as the basis for his or her financial longevity.

1.1 Establishing Initial Value

Galleries are usually in charge of determining which first price an artist will be paid, mainly with the young artists. The strategies followed in pricing works by galleries depend on the artist's status, prior sales, and reviews. In the qualitative interviews, gallery owners opined that they are influenced by the trends in the Western contemporary art market especially given that Indian contemporary art is slowly finding its feet on the global market.

Graph 1: Pricing decisions in art galleries and various influences affecting these decisions

This pie chart was shown earlier and sums up what factors galleries take into consideration when setting prices: A, career trajectory, B, sales records, C, and critical reception.



2. Auction Houses as Market Validators

Galleries set the primary market value of artworks and auction houses engender and reinforce these values in the secondary market. It is common to see auction houses drive the prices up through competition of bids and market positioning more often than not. Beyond the financial aspects, the auction can dramatically define an artist or artwork both financially and culturally.

2.1 Late Price Inflation Through Competitive Bidding

The statistic comparison of auction data shows that contemporaneous Indian modern art like V.S. Gaitonde, F.N. Souza, and Tyeb Mehta sell at higher prices and thereby achieved a price index of over \$1 million. For instance, the painting made by Gaitonde for ₹9 lakh was auctioned at Christie's cost ₹39.98 crores through a competitive bid proving the trends of a high-price margin on any art piece.

Graph 2: Pre-Sale Estimate against the Final Sale Price Index for the Top Artists

The bar chart of pre-sale estimates and final auction prices of some of the famous Indian artists shown before the civilizing bar chart also shows the involvement of auction houses in pumping up the prices in view of competition.

2.2 What are Provenance and Rarity

All the auction house representatives that were contacted for this research highlighted the fact that the degree of provenance and scarcity bear the greatest impact on its price. If an artwork has ownership

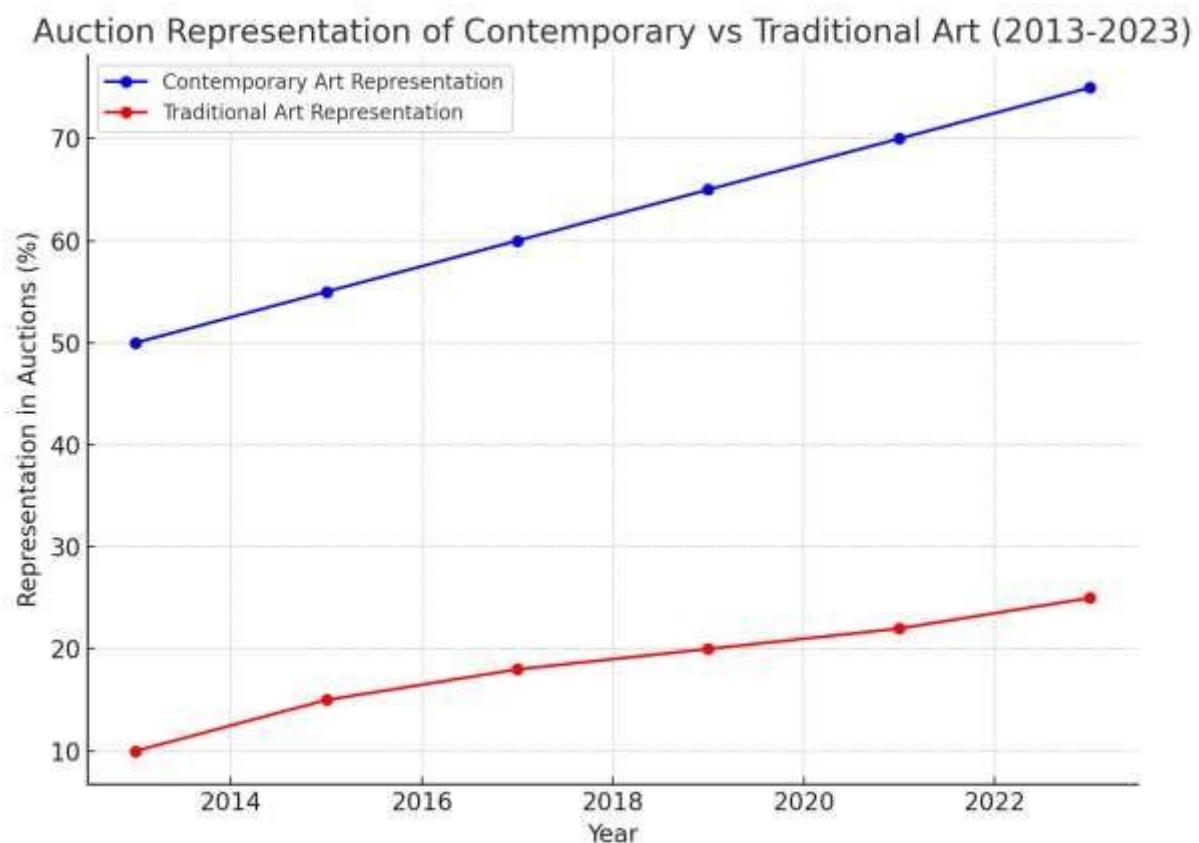
history, or is a work that is considered scarce, it will be consumed at a higher price because it will be perceived to be more valuable being scarce and with an ownership history.

Graph 3: The influence of provenance on the final auction prices

The bar chart given above represents the added value, by way of provenance, into the prices of artworks of prominent Indian artists. The factor of origin boosts the prices by millions and in case with artists like Amrita Sher-Gil and V.S. Gaitonde quite significantly.

3. Disparities in Valuation: Contemporary Art vs Traditional Indian Art

One of the most striking implications of this research is that different forms of art in India are valued differently. Artists that are into contemporary and/or modern art, those whose work is consistent with the preferred trend around the world, are usually priced higher and sell their works more frequently in galleries and auction houses more so than artists whose works are in traditional folk arts.



This goes hand in hand with other aspects of the market that are defined by the ability to make profits and fit the given international trends.

3.1 World Wide Customer Trends and Preferences

Today a number of contemporary Indian artists such as Subodh Gupta have had their pieces sell for high premium on auction and a majority of Indian artists are often exhibited in galleries internationally. Such trend illustrates that most of the Indian artists in international art market whose works garner interests among foreign buyers – works which are mostly integrated with global concepts of modernity, innovation and ethnicity coupled with Indigenous identity – are likely to thrive in the foreign market.

Graph 4: Bid business, therefore, focuses on the Auction Sales of Contemporary compared to Traditional Indian Art in the years from 2013 to 2023.

As this graph shows, there is much higher sales growth in contemporary Indian art than in traditional art forms. It is evident that demand for modern compositions is growing far quicker than for classical Indian art, which is not selling as intensively at the most important auctions.

3.2 Disparagement of Traditional Art Practices

While new generation artists are being accorded international attention, traditional forms of Indian art such as Warli, Pattachitra and Madhubani find themselves either neglected or marginalized in the primary as well as the secondary markets. Yet, these forms are considered less ‘profiteer,’ especially in Western countries—meaning that they are less expensive and, correspondingly, less ‘prominent’.

This contrast raises the main issue of cultural significance and its relationship to viability in art commerce. However, by supporting galleries and auction houses, the very notion of what types of art is valuable can be limited, with commercial interests favoring art that would specifically interest international buyers, rather than the vast and varied art of India.

4. Case Studies: Amrita Sher Gil or Bharti kher

This paper has explained through the case studies of Amrita Sher-Gil and Bharti Kher that international visibility boosts an artist’s value in the market manifold. Both artists have shown their works in significant international exhibitions, including art fairs and biennales, and have received considerable attention at many major auction houses that have spurred on the price increases.

4.1 Amrita Sher-Gil’s Growing Legacy

Sculptors also benefited as Amrita Sher-Gil, one of India’s most renowned modernist painters, continues to rarer and more valuable by auction rooms today. Her use of Indian as well as a western touch in her paintings has endeared her to collectors across the world hence a high market value.

4.1.1 Bharti Kher’s Contemporary Appeal Bharti Kher:

The artist working with identity and culture, Bharti Kher has also shifted her work globally garner considerable attention. Hence her incorporation of traditional Indian motifs within modern contexts has captured the local and international market resulting to her growing market value.

Graph 5: Amrita Sher-Gil and Bharti Kher: Auction Price Growth (2013-2023)

The following graph suggests the trend of price increase of Amrita Sher-Gil and Bharti Kher over the last ten years; it proves that Amrita Sher-Gil and Bharti Kher rose in art market visibility means high marketability.

Conclusion

The current study underlines how art galleries and auction houses contribute in the construction of value of Indian art. These institutions are not only the go-between for artists and collectors but also illuminators of what works achieve recognition and in what terms they are acknowledged – aesthetic and monetary. As agents in advertising artists, setting airplane and positioning artwork in the

marketplace, they are significant players in the art market web and consequently in deciding what is valuable in Indian art.

Galleries as Market Makers

The first and most important segment of art is the primary market where art galleries are most important especially for new artists. They produce, publicize the art works, as well as set the first price for the talents and productions. Over time, galleries shape the market profile of both new and proven artists as they independently and collectively showcase their works in individual and collective exhibitions, establish regular booths at various international art fairs, and graduate with trusted institutions. With their price mechanisms, influenced by the career development, or critical acclaim of the artist, and changes in market colour, they provide the parameters for future auction prices. As this research has clearly depicted, the galleries mostly promote artists as well as art pieces from the global market trend. Such trends have seen contemporized Indian art that collectors from all over the world fancy, essentially demoting traditional and folk arts. Especially, artists contribute works which are placed under international art movements seem to earn more gallery attention than artists who originate culturally more localized or confined pieces of art forms. This dynamic that forms from the attending to the international buyer keep a narrow view of Indian art and focuses solely on what can sell in the market and not on the art's diversity.

Who Bids for the Market? Auction Houses as Market Validators

They equally serve as major actors in the secondary market where they tend to confirm, sometimes even to exaggerate, prices set by galleries. By competitive tendering, genuineness and placement, auctioning often surfs the price of the artwork above the initial estimates commonly referred by auctioneers. The process does not only underpin the worth of currencies of artists but also entrenches their rightful place in art history. As in the case of purchasing of paintings of artist like V.S. Gaitonde and Amrita Sher-Gil, the auction houses can pull off such prices as define the importance and cultural status of the artists in today's society and thus the demand for the art forms in coming years.

However, auction houses are equally as susceptible to those market forces that favor contemporary and modern artists to traditional ones. In general, this study indicates that levels of auction sales of traditional Indian art remain comparatively lower than contemporary art, the trend that is observed in the contemporary market. In its attempt to become a modern internationally acclaimed art market Seoul has turned its back to many other art forms of similar historical and cultural significance but less appealing to the international gallerists.

Disparities in the Market

Characteristic sixty: diversity of the assessment of various types of the Indian art One of the primary conclusions, which was made by the author of this research, is rather obvious – the various kinds of the Indian art are evaluated differently. As it can be seen, contemporary and modern artists who work with worldwide themes and tendencies share higher prices and more exposures in galleries and auctions. On the other hand, traditional and folk art, even if culturally valued, do not seem to get as much market currency. This NHSI / NLS indicates that although galleries and auction houses have emerged as the players capable to place Indian art on the global map, they are perhaps the same which have set a narrow parameter for what can be seen as 'culturally' valuable Indian art.

These observations correspond well with the trends evident in more developed global art markets, where the object's contemporary status also affords incentive to collectors, particularly in the Western World where newness, novelty and orientation to the global art trends is highly valued. However, this focus can completely overlook traditional forms of art that exist within India to only be considered as

forms of art that do not fit well with capitalist markets. Consequently, several artists creating socially sensitive art with relatively lower global appeal are still not equally well-represented in galleries and auctions and hence, there exists an asymmetry in assignment of value to Indian art.

Towards a more inclusive art economy

The carrying out of the research calls for a more embracing paradigm to the valuation of Indian art. Even today's contemporary and modern Indian artists rightfully claim their place in the global art market, however, the art market also needs to expand its horizons and recognize the cultural wealth of India's traditional and almost unrecognized folk-artistic values. Museums and auction companies, in particular, have a central part in these works by providing these pieces with the attention and market they should get.

The current art market should not only be given a broader commercial sense but institutions should expand its view to include a wider demographic. This involves presenting such art works as those of native Indian folk and tribal art, patronizing artists who operates in this sphere of art and ensuring that their creations get to reach both the upper tier and lower market level. Especially auction houses have the potential to contribute to that because they can add more traditional pieces to the catalogue and present these pieces to collectors as valuable cultural assets.

In this way, doing better to make gallery and auction house more diverse, they can start playing the historic role to enrich understanding of art from India which is not limited to the type exciting collecting from around the globe but also maintaining the cultural heritage of art passed centuries ago.

Final Thoughts

Therefore, due to the monopolistic role of art galleries and auction houses, contemporary and modern works of art remain the only valuable ones in the Indian context but they are lacking in understanding the artistic heritage of the country adequately. Although these institutions have effectively taken Indian contemporary art to international platforms, they cannot fail to appreciate or embrace the ethnic and creative diversity of the traditional Indian artworks. This means that a more encompassing approach greatly benefits both the international art market as well as forms a significant portion of Indian art so that all forms receive proper credit for their contributions to the cultural portfolio

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