

DEVELOPMENT OF ART MARKET IN INDIA: STATUS IN INDIAN WITH TIMES

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ABSTRACT

Though Indian art market is growing well for continues past two years but as compare to other Asian countries this growth looks slowly. The reason behind slow growth according to Anders Petterson, "India still lacks investment in both private/public art infrastructure. Sensing the need of art market they have created a strong platform for buyer. As a result china has three hundred active auction houses in their country. India is among the largest economy and having fastest growing population but still we have small number of collectors who collect art. Beside the old and rich artistic culture of the country, India has yet to develop the habit of collecting art. If we want to develop our art market we have to develop the museum culture in our country. On the weekends we Indians go to mall without even give a thought and spend time eating and roaming around. This is because we don't know other place to go. If we develop museum culture in our country then roaming around in mall will change to a visit to museum.

1. INTRODUCTION

Till early eighteenth century king was only prime buyer for the artists. King was the only available market for art. Most of the kings in history bought art for art sake only. It was the emotional and social values those counted for king while paying for art. In the late nineteenth early twentieth and century rural artist settled in the city (Calcutta) in search of a new market. After going there artists adapted local artistic skills or style so that they can fulfill the demand of local urban buyer. Most of these artists were once artist of the court. Artists were trying hard to find their patron or market.

Meanwhile East India Company started their trade in the country. Merchant from East India Company took interest in Indian art. This interest gradually developed a market for Indian art and artist in eighteenth century. At this time artists depicted scenes from daily life, court scenes, celebration of festivals, Indian culture and rituals. Water colours became popular medium among artist of that time.

Artist adopted style and medium which was desired by merchants of East India Company. This adaptation gave birth to whole new style of painting named as Company style or Patna style. This style of painting spread to cities which were under British rule.

Then India's independence in 1947 forever changed the market of art for artist. Market for art which was starting and ending up only in the court of king, it is now ending up only on internationals.

The Indian art had not been systematically traded in international art markets until the early 1990s. It started happening when Sotheby's entered in India in 1992. This was the time when most of the classical and traditional art had smuggled out of India and the reason behind it was Antiquities Act of 1973. After Sotheby's entry in India, Indian millionaires started taking interest in art. They found that art can be way of investment. All these things generated domestic market.

Sotheby's organized a two day auction in the month of October in that year. This auction was a success for Sotheby's as well as for Indian art market. This sales was not about what art is available in India, but about an intricate interplay of heritage laws and taxation policy of Indian government.

The Indian government's curious affection for the artistic left-over of the British Raj was highlighted by its decision to classify three post-1892 British pictures as national treasures. Two classical maidens, a Tambourine Girl (Fig. No. 1.1) and a Fruit Seller leaning languidly against marble balustrades under blazing Roman skies (Fig. No. 1.2), painted by John William Godward, were bought by an Indian collector at 150,000 rupees (pounds 3,100) a piece⁷⁶ in this auction.

People tried to make best use of the opportunity that was provided to them by Sotheby's. It was a kind of honest business at a public auction. Many collectors had sold some of 20th-century paintings through this auction by Sotheby's. The purpose of selling some of the art work they possessed was maybe to raise funds for the gallery. No doubt, results were good enough to delight them.

All buyer and collectors who participated in this auction knew that everything of this auction will be revealed. Keeping it in mind all collectors competed keenly. 'A 1938 canvas of huddled village women, by the Indian follower of Gauguin, Amrita Sher-Gil, sold for pounds 23,000 and a Picasso-esque Figures in a Landscape by the artist, MF Husain, scored pounds 18,300 - among the highest prices on record for 20th-century Indian painting'.⁷⁷ This auction had proved itself as a big event of 1992 for art market of India.

There was still a little market for twentieth-century Indian fine art before 1995. India was a one of the center of producing fine art works. But still its demand was not as good as other country. This was happening because Indian art was generally considered in the category of provincial or decorative art in international art market. No matter how the artwork is looking every time it was kept in the category of decorative art. This category set aside Indian art under value. After realizing it, artists, academics, commercial auction houses and critics redefined Indian art as a new category and the category was modern Indian art.

This act started giving positive results as people or organizations from west like museums and collectors began to take notice the art works done by Indian artist. They began to understand that 20th-century art of India is can be actually taken as Indian modernism. That is having an exceptional aesthetic tradition. This art is influenced by international artistic style and yet a blend of Indian traditional art and they have aesthetically misjudged Indian art so far. They suddenly start taking interest in Indian art. Prices of art works start rising. It has proved itself as right move for Indian art. In next two or three years Indian art achieved more value aesthetically and economically.

Sotheby's and other auction houses had not wasted their time to understand modern Indian art. They had started finding its finer points and thing those are making it important. These sorts of practices helped for betterment and stability of art market. And then in 1995 Sotheby's managed to arrange an auction of all alone on modern Indian art.

All auction houses were expending their space in Indian art market. All the players were from outside the country. In 2000 Saffronart an auction house was established in India by an Indian. The appearance on Saffronart cannot go unnoticed. Company adapted the auction model influenced by western auction houses. Focus of the newly formed auction house was only on modern Indian art. It was a challenging call of new auction house, because big players in the field were covering almost all categories. Saffronart did it by intense planning and successful execution. Saffronart was innovative in terms of some of its marketing efforts.

Saffronart produced a vast and great understanding of modern Indian art and its value. They had quoted critics, experts and academicians to authenticate their views while explaining regarding the category. They provided detailed description of the artist with his compositions in the catalog of auction. These efforts grabbed the attention of museums, galleries, journalists, consumers. Noticing this other players start emerging in same category and they have also joined the practice regarding modern Indian art.

In addition to it, they started e-commerce of art with a system of mobile phone bidding. These approaches helped the auction house to successfully market twentieth-century Indian art. E-commerce provided chance for buyers to participate while one is at home or abroad. In the same year Osian again an auction house was set up in Mumbai. Now country's whole new and Indian auction houses were creating an important new spot for the secondary art market in India itself.

As the time flow the understanding and value of modern Indian artworks improved considerably. Resulting, 'the average price of a work at auction went from approximately \$6,000 in the first six years of auctions to approximately \$44,000 in the next six years of auctions'.⁷⁸ Many paintings broke the barrier of million dollar and many others sold for hundreds of thousands of dollars. These bounce in the prices attracted press for bigger

coverage. This rise in prices attracted more and more stakeholders who now understood the importance of modern Indian art by the help of India originated auction houses.

Meanwhile Indian artists started taking part in activities at international level. Their works had been exhibited and traded at biennials and art fairs out of the country. In 2000 Sotheby's organized an auction in winter. Through this decisive auction collection of Chester and Davida Herwitz was auctioned off in New York. This sale included artworks by famous Indian modernist artists M.F. Husain, S.H. Raza and Tyeb Mehta to name a few.

2. GROWTH OF ART MARKET IN INDIA

Form of art market has changed gradually. Two distinct of art market commonly known as primary art market and secondary art market formed in India. If there is economic growth and development in the country it will leave its effect on art also. This growth is also changing the perception of western countries for India. From 2005 to 2007 it was a boom in Indian art market.

Mainly 2007 can be considered as the boom in Indian art Market. Various art market surveys showed significant level of optimism in the Indian contemporary Art Market in 2007. However, risk related to the heightened level of speculation was also on the cards. Buyers were considering short term returns in the market. Soon it became a trend. Reason behind it was the presence of an increasing number of art funds.

Soon after, India made an improved and diverse activity in the art world. Art Fair, Museums, Galleries and Auction houses came to its existence and helped to energize the cycle. 'In 2014 in India sale was \$400 million as compare to worldwide figure of \$65 billion.'⁹⁸ Galleries in India were opening new spaces. Experimental works and projects had also been supported. Auctions had been coming back and playing a key role in art market. Some galleries and auction houses like Saffron art had opened online platform for business which is providing full time or any time market to buyers and brought the transparency in art business. This online auction house has even become the reference website of Indian art for prices, artist's works and more. But if we analyze critically, the auction of Christie's in June 2014 was unable to repeat its previous records. Stats show that an average Chinese artist was having more money than our modern artists, even in the auctions also.

This price difference comes because there is a lack of strong support between the gallery and the artist. In western country artist is been presented by a particular gallery. Artists are loyal to its gallery and the gallery supports its artist. If the price of art work of their artist goes down gallery maintain the price and make all effort to not make price fall. This helps both artist and gallery. Such kind of relations is less seen in India. Here an artist's work

owned by different galleries. One gallery sale the art work of person in high price and other gallery sales it for less amounts. With this the price value of the artist naturally falls down. After all who will give more money to buy an art work of an artist if one can get it in low price?

Pundole's organized an auction sale in the last month of year 2014. The sale held in Mumbai. All artworks on sale were about antiquities by SabavalaRoshan. The sale from the auction was nearly \$2 million dollars.

The health of art market of any country can be checked by the number of active auction houses in particular country. Sale performance of these auction houses are also subject to art market analysis. The results had shown nothing but the improving growth speed of Indian art market.

Out of other important events and sales which made their impact on Indian art market was that, Guggenheim released their foremost exhibition of artist from India in 2014. It was the first time they were arranging a solo show of an Indian modern artist and the artist was Vasudeo Santu Gaitonde (1924–2001). The show contained more than 40 important art work of the artist. These artworks were had been arranged by the museum from private collection across Asia and Europe. The exhibition played important part to bring light of Indian modern art.

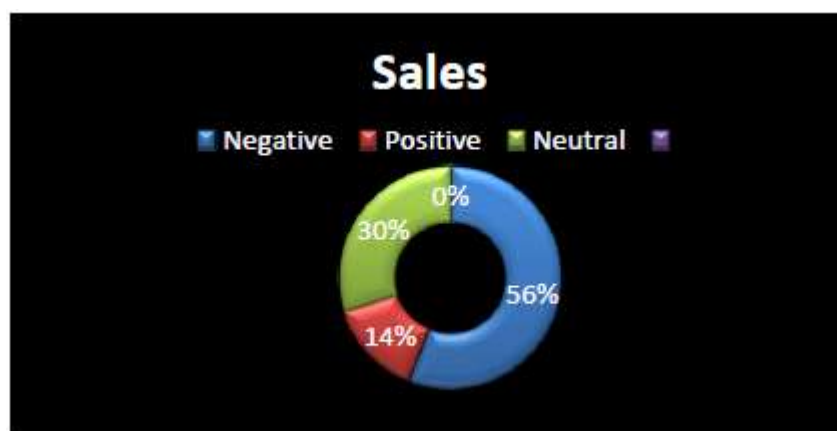
In January 2014 Forbes India Art Awards were launched. These awards were first of its kind. The initiative was taken by Forbes for Indian art world. Awards were in 14 different categories for Indian artists. The initiative by Forbes was a new thing in Indian art. Though Forbes did not came with its second edition but new initiative were taken by other organization for the same. Following the idea of Forbes India Art Awards, in 2016 India Today launched their art awards. These kinds of awards encourage artists to do better every day.

End of 2014 was welcoming following year with success. 'From past some years market for Indian art is gradually developing in a positive manner. Growing as an upcoming superpower is the reason behind this positive growth'.⁹⁹ There was uncertainty in Indian economics but Modern Indian art market was increasing its Confidence. Art fairs proved important scenario for art market. India Art Fair 2015 is a fair example for this.

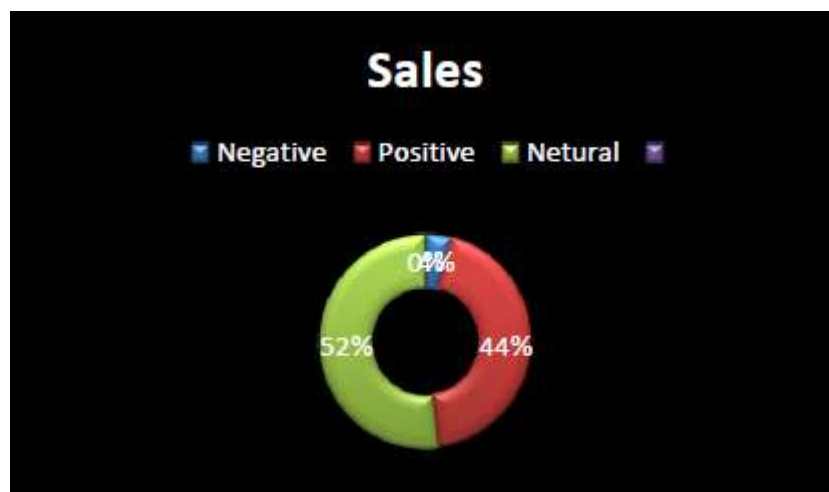
'In India Art Fair 2015 Gallery Latitude 28 has sold Dilip Chobisa's work averagely priced between rupees one lakh to two lakh and also sold few prints by renowned print maker Anupam Sud again with the reasonable price tag pegged around rupees two lakh. Sarjan Art Gallery from Vadodara manages to sell nearly 70 percent of the master artist's drawing and paintings.'¹⁰⁰ Such kind of interest from buyers relived the participants of the art fair.

Indian Classical and traditional art had been ignored so far but it was not same in year 2015. Saffronart had set a live auction sale of Indian classical art for the first time in December 2015. These all works were fine piece of Indian traditional and classical art. The results were showing that interest of buyers has been started increasing in Indian sculptures and miniatures. The results also recommended that domestic market of Indian antiquities is also recovering. Christie's had been dominated the market so far but performance of Saffronart was giving tough competition to it. Their market share was increasing continually in 2015.

2.1 Small duration effect of demonetization on Indian Art Market



2.2 Long duration effect of demonetization on Indian Art Market



After demonetization there was a risk that progress bar of Indian art market will again fall down. But the little growth of 1.4% gave the reason to smile. Experts took it as it will provide a strong foundation to the market and its weak links will be fixed because of the demonetization.

Domestic art Market had shown improvement in its progress bar. Indian auction houses played a big role in this progress. Share of domestic auction houses for sale is increasing from year after year. Christie's dominated the auction sale India but it could not remained the same for long time. The domestic auction houses in India have helped to improve art market. These India based auction houses have been working actively in art market. Saffronart had developed a strong market for modern Indian art and Pundole's are doing well in Indian Classical art. All with these two auction houses Asta Guru have developed a market for contemporary Indian art. Even DAG, Modern has been also contributing for domestic art market. They have organized three auctions. Out of these auctions their sale of December 2016 was \$1.93 million. The art works in auction were Indian Art from twentieth century. Here are Auction House Market share regarding Modern Indian Art, Classical Indian Art and Contemporary art of 2016.

In 2018 art market had showed growth with better pace. In this year India art Fair completed its tenth edition successfully. There were two reforms applied in Indian economy. One was demonetization in November 2016 and other was goods and service tax in July 2017. These two reforms had played important role in Indian economy. Negative impact of demonetization had faded away. Many galleries were saying in 2016 that it will have negative effect on art market in India in coming years. But after two years this thought was changed in to a positive statement. Now the galleries owners were saying that all things worked for the betterment of art market.

GST introduced in country for uniform taxation system in. Again as demonetization people are coming with mixed reactions. Some were saying it is a curse for medium scale businessmen and some are taking it as reform in Indian economy. It was good for art world that art is not under slab of luxury goods for which one has to pay 28% tax. But still because of the implementation of GST sale dropped a little from 12.5% to 12% in India.

According Art Tactic, the market analysis firm, the domestic art market had a growth of 13% in 2017. The firm have found that sale of galleries are increasing as compare to auctions in 2017. This growth improved in 2018.

2018 Sotheby's entered in India for public auction of Indian art. The event took place in last quarter of the year. The auction held on 29 November with 60 lots to offer. Artworks on sale were by artist like Amrita Sher-Gil, Tyeb Mehta. The auction house was expecting sale of \$6 million to \$8 million.

In the auction Tyeb Mehta's artwork sold for \$2.9 million. The title of the work is 'DurgaMahisasuraMardini' (Fig. No. 1.20). The paintings of Amrita Sher-Gil sold for \$2.7 million. The girl in the painting is cousin of the artist. Her name is Babeet Singh Majithia. Babneet was thrilled when Sotheby's announced the work for auction. At the time of auction she was 94 year old.

Artwork of modern artist sold for more than one crore in same auction. The results brought smile on the faces as new records were set. This auction sale proved that Indian art and artists are achieving more and more day by day.

Sotheby's organize sales for Indian art, but it their entry in India is a positive sign for Indian art market. Sotheby's rival company organized first public sale in the country in year 2013. Later they decided to sale Indian art in its online auction. When Christie's took its exit from India, Indian art market was still recovering from the crisis of 2008-2009. The market was strengthening slowly and reached in better position in next two three years. In year 2016 demonetization came in between the growth. In the following year GST did the same. Indian art market crossed all the hurdles came in between the growth. Resulting 2018 with positive growth.

Sale through Sotheby's auction in Mumbai in ending time of the year was the perfect ending for the year. Sotheby's has seen potential in Indian art.

Though Indian art market is growing well for continues past two years but as compare to other Asian countries, especially China this growth looks slowly. The reason behind slow growth according to Anders Petterson, "India still lacks investment in both private/public art infrastructure particularly compare to neighboring China." Chinese art market is having strong infrastructure for business in art. Sensing the need of art market they have created a strong platform for buyer.

CONCLUSION

Apart from many to do things to develop art market there are many positive things happening in Indian art market. One is that Indian collector and investor supporting Indian artist first before going to foreign artists. They are buying the work of their own country artists and focusing on domestic market first, no matter if they are leaving in India or they are non-resident of India. Some of the collectors are now also showing interest in western art and artists. This is making their collection more global and enriches the value of it.

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