

IAIAI | 2025 Q4 Report

IIMA-Aura Art Indian Art Index

Art Market at Record Levels: Growth & Resilience

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Highlights

- In Q4 2025, the IAIAI moderated to 4,900, easing with a 13% correction from its historical peak of 5,613 recorded over the entire index period. 4,900, nevertheless remains the second highest recorded so far.
- CAGR over 10 years (5.3 percent) and over 20 years (4.4 percent), indicate acceleration in price trends in the recent decade.
- CAGR over 1 year (29.3 percent) and over 5 year (15.2 percent) reflect further acceleration in the recent year.
- The Average Y-o-Y return over one and two decades are 8.1% and 12.2% respectively.
- Average Q-o-Q return over one and two decades are 3.8% and 3.1% respectively.
- In 2025 Q4, 146 artworks generated ₹276.31 crore in auction value. Maestro Tyeb Mehta's Art piece won the highest bid of ₹53.54 crore (approx. US\$6 mil) at Astaguru Auction House.
- In 2025 Q4, the average price per artwork across all auction houses stood at ₹1.89 crore (approx. US\$0.2 mil).
- Top 3 artists (i.e. commanding the highest price premiums) based on hedonic model coefficients (for both Cumulative and Marginal Analysis for Q4 2025): 1. V. S. Gaitonde, 2. Tyeb Mehta, and 3. Ganesh Pyne.

Background

The IAIAI report, jointly published by IIM Ahmedabad and Aura Art Development Pvt. Ltd., tracks quarterly auction prices of 25 leading Indian modern artists. The current edition covers the period from 2001 to Q4 2025 and is based on 12,341 artworks sold at auctions across India. Constructed using a hedonic pricing model, IAIAI may be interpreted as a Constant-Quality Art Price Index. It provides a benchmark for assessing how artwork prices evolve over time after controlling for differences in quality (Das & Sethi, 2022).

The year 2025 represents a strong phase for the Indian art market. In September 2025, the GST rate on artworks was reduced from 12 percent to 5 percent³, supporting greater buyer participation and strengthening sales momentum in subsequent quarters. Notably, Saffronart's 25th Anniversary live evening sale, held on 27 September in New Delhi, achieved cumulative sales of INR 355.77 crores (approximately USD 40.20 million)⁴. Oil-on-canvas works accounted for the highest-value transactions (see Figure 3).

The report presents two complementary analytical approaches. The “cumulative analysis” uses the full dataset from 2001 to Q4 2025 to identify long-term trends. The “marginal analysis” focuses on the most recent quarter to capture current market movements. Comparing the two allows an assessment of whether recent price changes align with historical patterns or indicate a structural shift. The IAIAI hedonic model continues to show that artwork size, artist reputation, medium, and auction house significantly influence price levels, with effects that are statistically robust rather than random fluctuations.

Overall Index Performance (2001 Q1-2025 Q4)

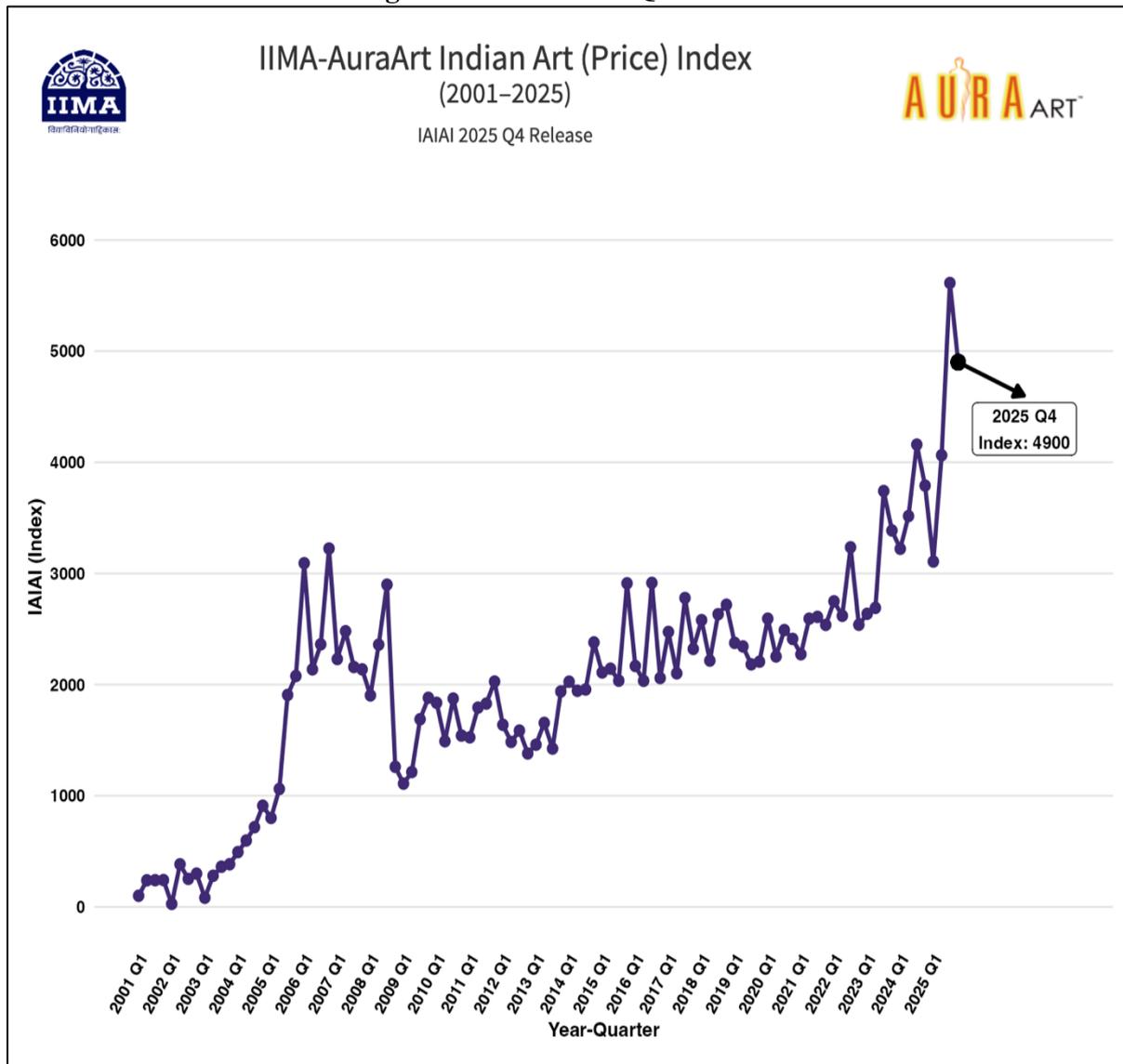
The Winter Auction Season 2025 (Q4), recorded some of the highest sales of the year across major auction houses, as illustrated in **Figure 3**. Master Tyeb Mehta's “*Gesture*”, an oil on

³ <https://www.ibef.org/news/gst-rate-cut-from-12-to-5-poised-to-brighten-india-s-art-landscape>

⁴ <https://www.saffronart.com/auctions/postcatalog.aspx?eid=4902>

canvas work, fetched ₹53.54 crore at Astaguru⁵, making it the highest-priced work of the season and the eighth most expensive artwork among the 12,341 artworks in the data sample. His other work, “*The Face*”, also an oil on canvas, was sold for ₹19.2 crore at SaffronArt⁶. V.S. Gaitonde’s oil on canvas work achieved ₹14.4 crore at SaffronArt⁷, while an untitled abstract acrylic on canvas by M.F. Husain realised ₹13.8 crore at the same auction house⁸. Meanwhile, Jehangir Sabavala’s “*Conspirators*”, an oil on canvas historical masterpiece, was sold for ₹12.15 crore at Astaguru⁹.

Figure 1. IAIAI 2025 Q4 Release



Source: Authors

In 2025, the index rose sharply to 5,613 in Q3 before easing to the second highest level of 4,900 in Q4 with about a 13 percent quarterly correction. The momentum is visible from 2022

⁵ <https://www.astaguru.com/auctions/2025/historic-masterpieces-214/untitled-gesture-18420>

⁶ <https://www.saffronart.com/auctions/PostWork.aspx?l=52918&eid=4950&lotno=17&n=17>

⁷ <https://www.saffronart.com/auctions/PostWork.aspx?l=53131&eid=4950&lotno=13&n=13>

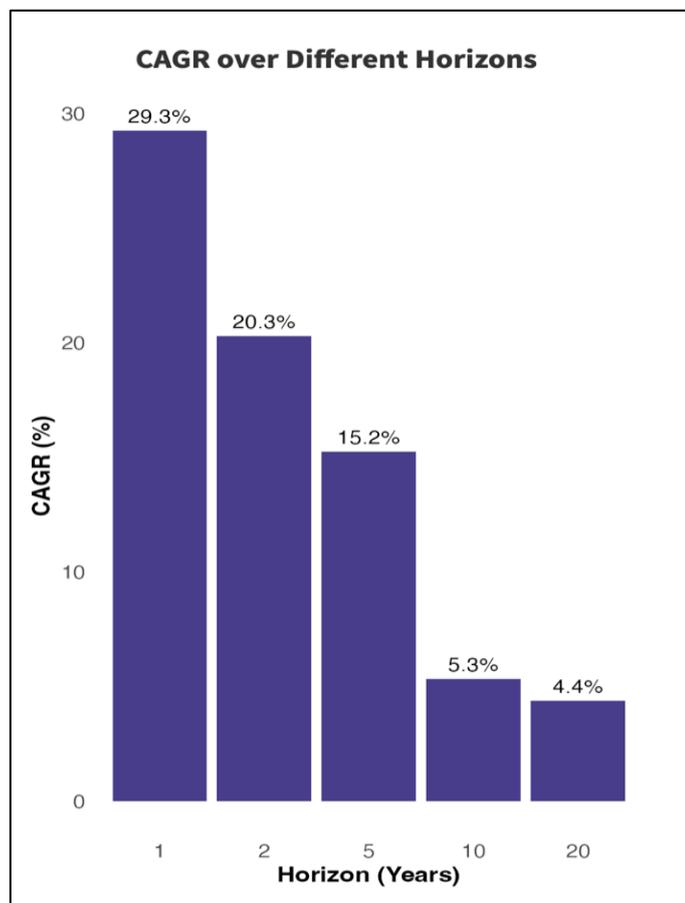
⁸ <https://www.saffronart.com/auctions/PostWork.aspx?l=52283&eid=4950&lotno=8&n=8>

⁹ <https://www.astaguru.com/auctions/2025/historic-masterpieces-214/conspirators-18486>

onwards, with the index crossing 3,000 and stabilising in a higher range compared to earlier years. During 2020 and 2021, the index showed fluctuations but no prolonged breakdown, indicating resilience despite global uncertainty. The period from 2014 to 2019 reflects alternating gains and corrections, with levels broadly stabilising in the 2,000 to 3,000 range. Between 2009 and 2013, the index had largely consolidated after the sharp fall triggered by the global financial crisis. Looking further back, the years 2003 to 2006 represent a steep rally, with the index moving from low double-digit levels to above 3,000 within a short span. This rapid rise follows early volatility in 2001 and 2002.

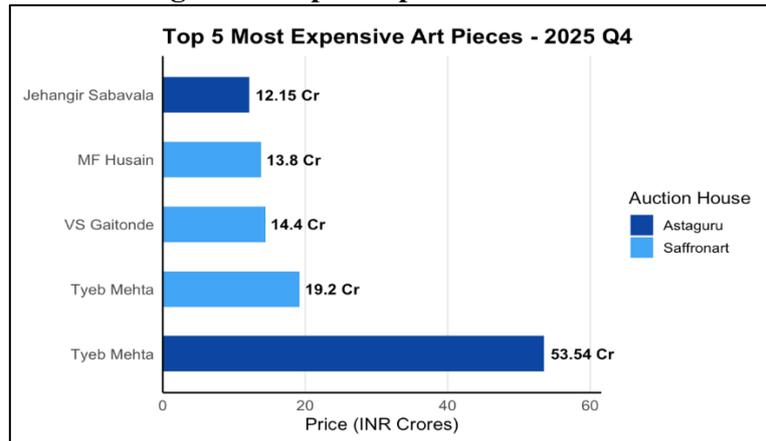
In the short term, 1-year CAGR is at 29.3 percent and 5-year CAGR at 15.2 percent. In contrast, long term performance is more moderate and stable, with 10-year CAGR at 5.3 percent and 20-year CAGR at 4.4 percent, indicating steady but lower sustained growth over extended periods.

Figure 2. CAGR of Art Prices by Masters in India | 2025 Q4 Closing



Source: Authors

Figure 3. Top 5 Expensive Art Pieces



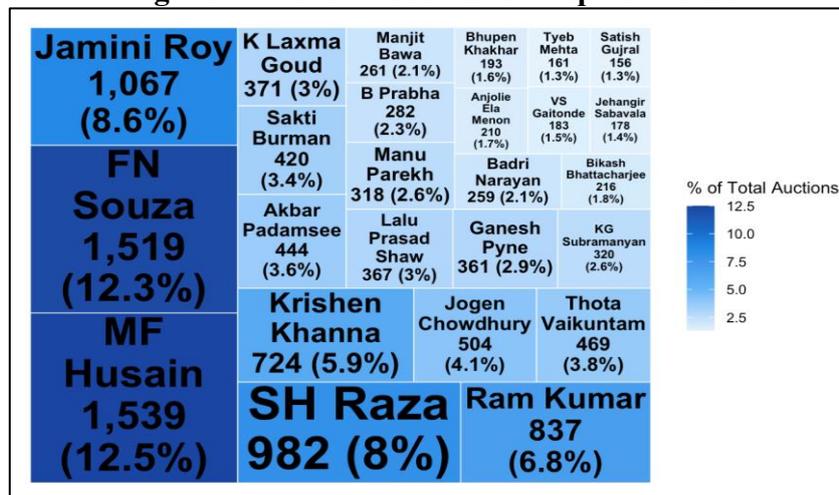
Source: Authors. Data - 2025 Q4.

A Look at the Most-Auctioned Artists Over 25 Years

The cumulative data from 2001 Q1 to 2025 Q4 (Figure 4) covers a total of 12,341 art pieces and shows that auction activity has been concentrated among a few leading modern Indian artists. M F Husain accounts for 1,539 artworks or 12.5 percent of total auctions, followed closely by F N Souza with 1,519 artworks at 12.3 percent. Together, they contribute nearly one quarter of the total artworks sold over the 25-year period. Jamini Roy records 1,067 artworks at 8.6 percent, while S H Raza with 982 artworks at 8 percent and Ram Kumar with 837 artworks at 6.8 percent also hold large shares. The remaining artists individually account for smaller shares, indicating that while the market has breadth, it is largely driven by a group of established names across the full 25-year period.

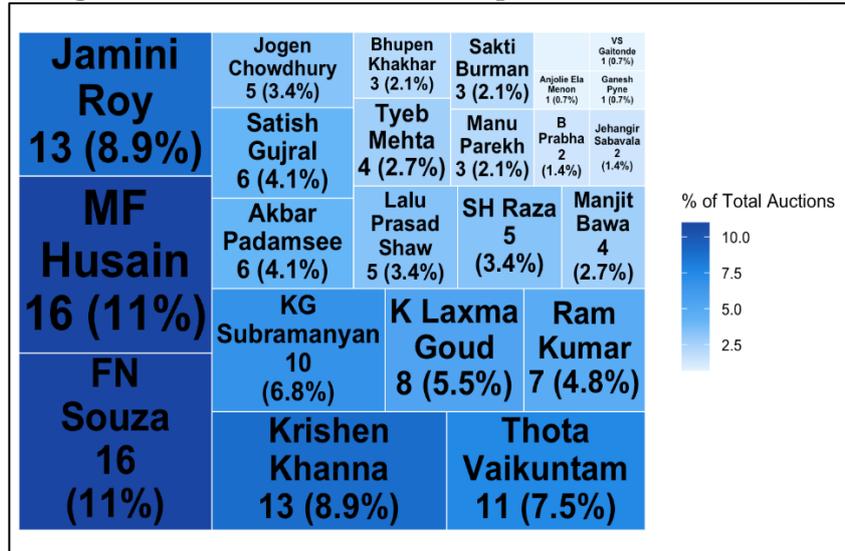
The Art pieces sold (Figure 5) shows a more balanced distribution for the recent quarter. M F Husain and F N Souza record 16 artworks sold each, contributing 11 percent of total auctions each. Jamini Roy and Krishen Khanna follow with 13 artworks each at 8.9 percent. Thota Vaikuntam accounts for 11 artworks at 7.5 percent, and K G Subramanyan records 10 artworks at 6.8 percent. The overall winter auction season showed participation spread across several artists rather than being concentrated in only one or two artists.

Figure 4. Artwork Counts for Top 25 Artists



Source: Authors. Data span 2001 Q1 through 2025 Q4.

Figure 5. Artwork Counts for Top 25 Artists for 2025 Q4



Source: Authors. Data - 2025 Q4.

Shift in Artist Rankings Over Time

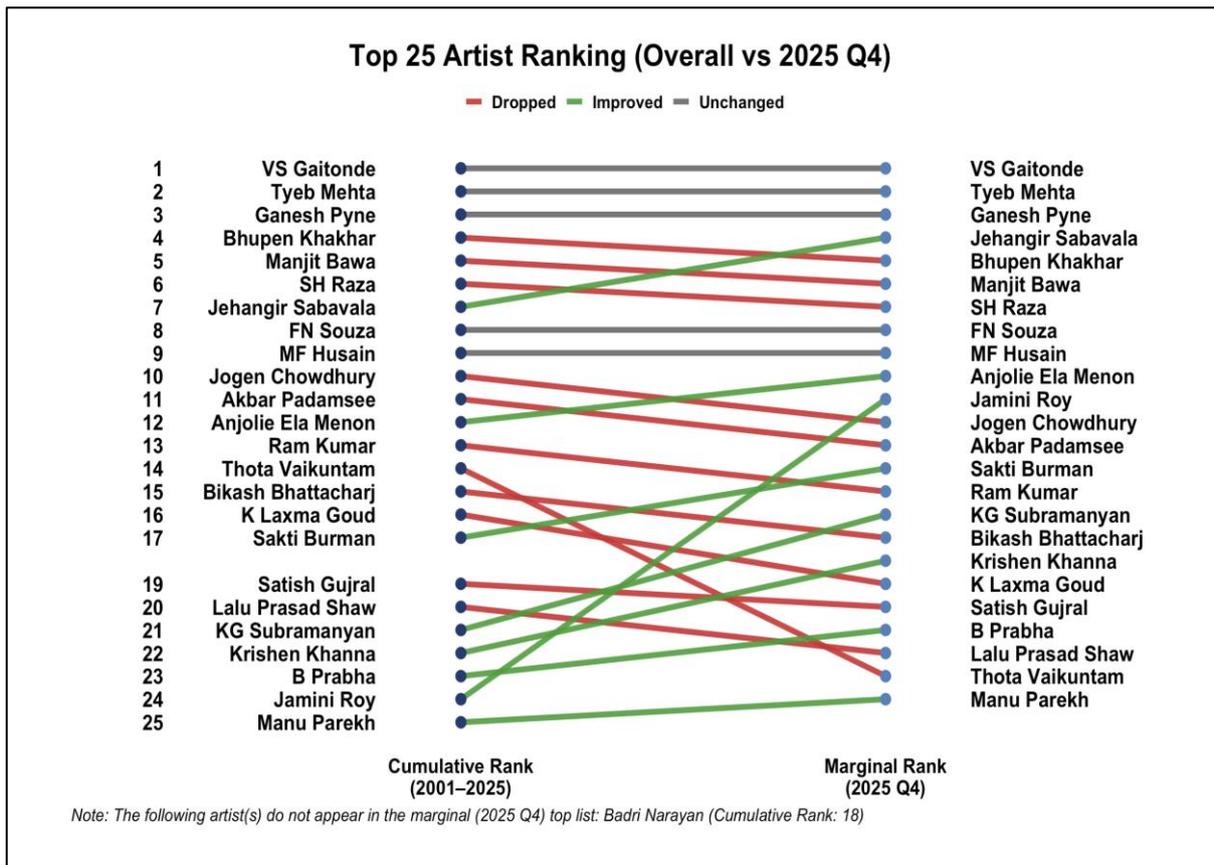
We base artist rankings on the price premium estimated by the IAIAI hedonic model as shown in the **Figure 6**. These rankings measure the premium attributed to each artist after controlling for artwork characteristics such as size, medium and base and other measurable factors statistically significant. The comparison therefore reflects differences in market valuation assuming constant quality across works.

In 2025 Q4, the marginal rankings largely follow the long-term hierarchy observed over 2001 to 2025. V S Gaitonde and Tyeb Mehta continue to hold the top two positions, with Ganesh Pyne also remaining among the leading names. Jehangir Sabavala shows an upward shift in the quarterly ranking compared to his cumulative position, while Bhupen Khakhar records a relative decline. Anjolie Ela Menon and Jamini Roy move up in the Q4 ranking, indicating stronger price premiums in the latest quarter. At the lower end, artists such as Thota Vaikuntam and Manu Parekh rank lower in Q4 relative to their long-term standing. Overall, the results show stability at the top with moderate reshuffling among mid and lower ranked artists in the latest quarter.

Trends in Art Medium Composition Over Time

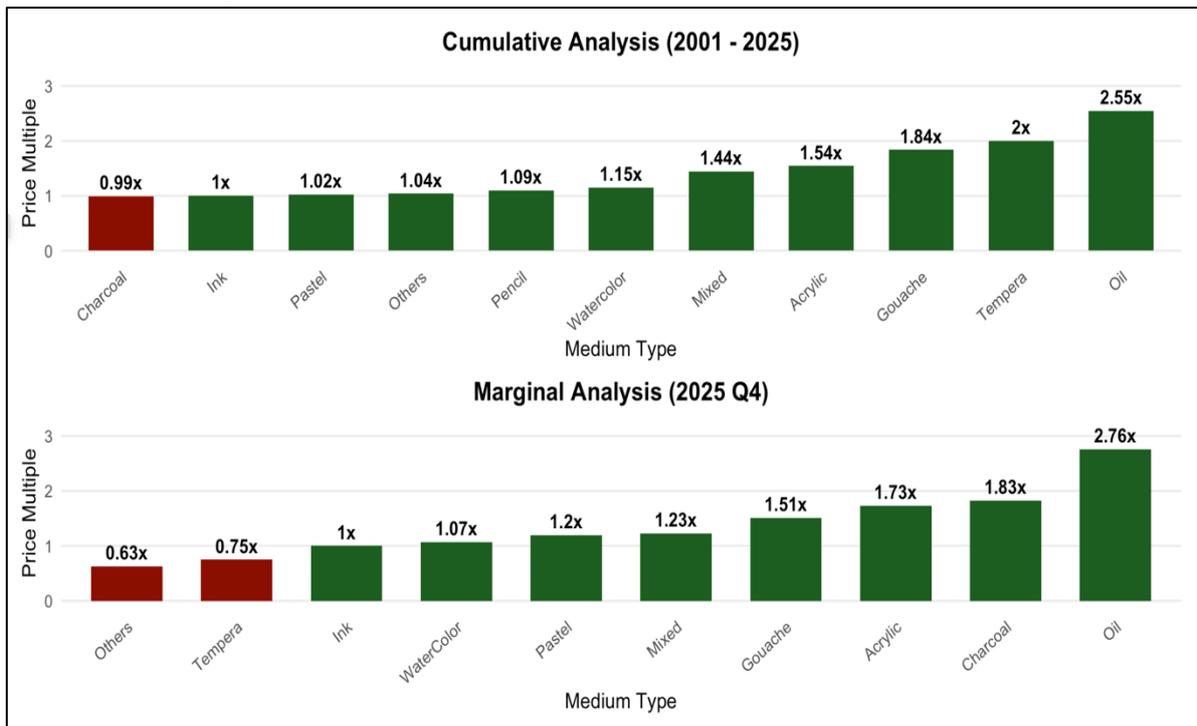
A comparison of cumulative medium patterns from 2001 to 2025 with the marginal distribution for 2025 Q4 (**Figure 7**) shows moderate shifts in the price premium of material use. Medium premiums are estimated using hedonic pricing model, keeping quality characteristics constant. Using Ink as the base medium, in the cumulative data, oil accounts for 2.55x price premium, followed by Tempera at 2x and Gouache at 1.84x. In 2025 Q4, Oil stands at 2.76x premium (with respect to Ink) while Charcoal at 1.83x for the latest quarter. Tempera and Gouache declines to 0.75x and 1.51x. Gouache and Pastel record higher marginal premia than their long-term averages. media such as watercolour and Charcoal show lower premia. Despite this shift in volume, oil on canvas continues to dominate in pricing terms. The highest priced works in 2025 Q4, including Tyeb Mehta's *Gesture*, Tyeb Mehta's *The Face*, a V S Gaitonde and Jehangir Sabavala's *Conspirators*, were executed in oil on canvas.

Figure 6. Top 25 Artist Ranking (Overall Rank vs Latest Quarter)



Source: Authors. Data spans 2001 Q1 through 2025 Q4.

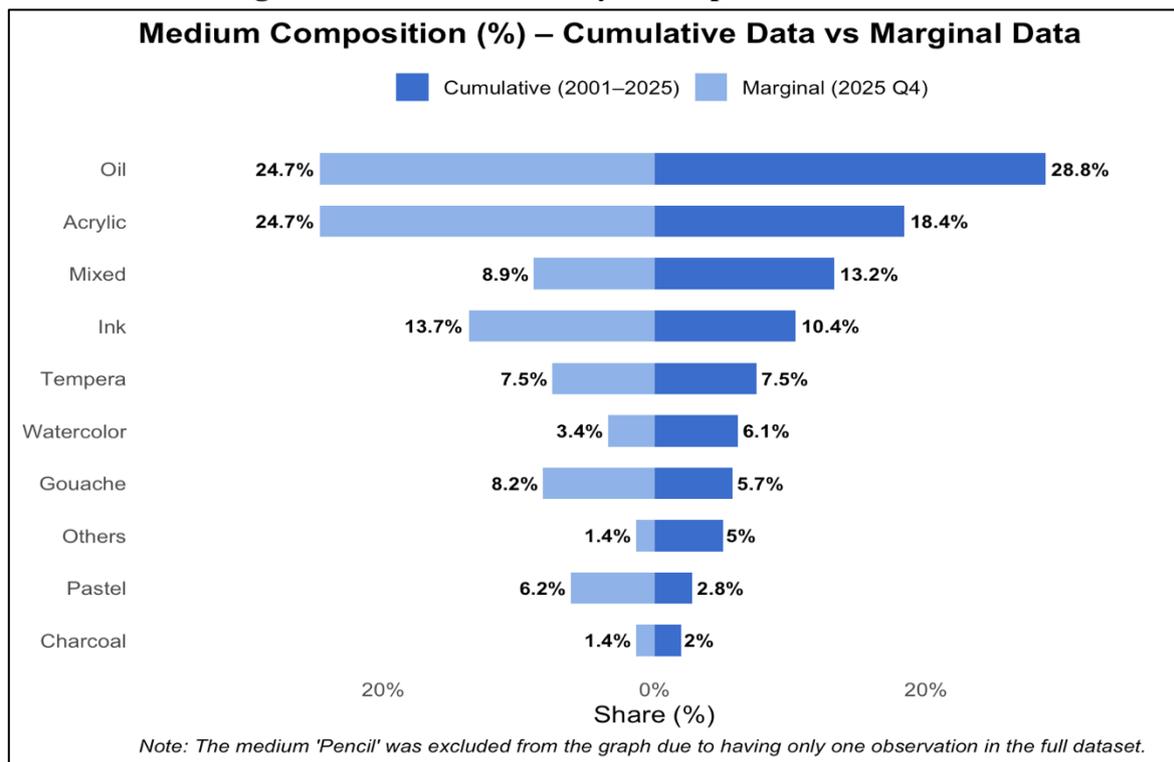
Figure 7. Art Media Price Premium Relative to Medium Ink



Source: Authors

Figure 8 illustrates medium type share (%) between Cumulative Data and Marginal Data. Oil strengthens its position. Its share rises from 24.7% historically to 28.8% in Q4. It continues to remain the most dominant medium. Acrylic declines noticeably from 24.7% to 18.4%. This suggests buyers are moving away from Acrylic and concentrating more on Oil and Mixed media. Mixed media increases from 8.9% to 13.2%, showing growing interest in more varied formats. Ink falls from 13.7% to 10.4%, indicating weaker participation of traditional works on paper. Gouache also declines from 8.2% to 5.7%, while Pastel drops sharply from 6.2% to 2.8%, showing reduced activity. Watercolour increases from 3.4% to 6.1%, but its overall share is still small. Charcoal rises slightly from 1.4% to 2.0%, remaining a niche category.

Figure 8. Art Media used by the Top 25 Indian Artists



Source: Authors. Data spans 2001 Q1 through 2025 Q4

IAIAI Application

The IAIAI captures the long-term price appreciation of Indian fine art created by the top 25 prolific artists, offering a broad perspective on how asset values have evolved. Most artworks do not generate income streams and rely entirely on capital gains for financial returns. IAIAI features an annual (average Y-o-Y) return of 12.2% during the past two decades. In this regard, the IAIAI can serve as a practical proxy for the discount rate in art valuation exercises, especially when estimating the opportunity cost of holding art in the Indian context. The intent behind developing the Art Index is to empower artists by enabling them to compare the appreciation of their artworks against broader market trends. Artists can use the index to assess how the economic value of their pieces evolve over time, fostering more informed and transparent pricing within the community.

DISCLAIMER

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