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# Gold Investment is Better in Current Scenario

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**ABSTRACT:** Gold is a highly prized metal in India and has significant cultural and economic importance. The use of gold in India dates back to ancient times, with the metal being mentioned in various religious texts and epics. India's love for gold is reflected in its rich history of goldsmithing and jewellery-making, with the country producing some of the finest gold jewellery in the world. Gold is deeply ingrained in Indian culture and traditions, with gold jewellery being a popular gift for weddings, festivals, and other auspicious occasions. India is one of the largest consumers of gold in the world, accounting for approximately 25% of the global demand for gold. The Reserve Bank of India holds a significant amount of gold reserves, making it one of the top 10 countries in the world in terms of gold holdings.

**KEYWORDS:** Gold, Investment, Inflation, Stock market, Investment in land, Mutual fund, Risk

## I. INTRODUCTION

When we make any investment, we would like to check our investment decision on these parameters

1. Liquidity
2. Risk
3. Return
4. Morality

No investment (Other than Pure gold) comes true on these four parameters.

Only Pure gold meets all the four parameters of investment. Now we will do a comparative study of various investments on the above four parameters.

### 1. Liquidity

Liquidity refers to the quality of an investment that if you need money tomorrow, how quickly you get it back. Investing in land in this case is not a good idea at all (even Investing in share, mutual fund also not meet liquidity criteria). You do not get the money at the time of need. In case of Insurance If you suddenly need money, then the insurance company will tell you that the money you invested in insurance can be returned only if you die or you get some disease. In other words, investment in insurance is also not meet liquidity parameters. Gold meet liquidity factor because gold is highly liquid asset which acceptability is worldwide.

### 2. Risk

It is absolutely not good decision to invest in shares, mutual funds on the scale of risk. How the share market, a tool of capitalist economy, helps in looting the common man and how the common man's money reaches a few capitalists. Investing in insurance is also risky. Because insurance companies also invest your money in the stock market. Otherwise, if the fund manager is corrupt, then he can invest your money in such a place in which he has personal interest. Because even in insurance companies, the promoters' own money is very less as compared to the public. Looting which is the aim of every promoter. No one opens an insurance company for your good. Insurance companies also play with your money like banks. Insurance companies.

Investing in Bank FDR is more secure than Shares, Mutual funds, Insurance. But the money of the promoters is very less in the banks. That's why all the attention of the promoters is engaged in looting your money.

There are many risks in the land too, like getting illegal possession etc. You should keep as much land as is necessary for your home or business.

The least risk is in investing in gold. Because gold has two specialties. Gold is also a type of currency, in exchange of which you can buy anything, second gold is an asset which has its own value. God takes the guarantee of the value of gold. While the guarantee of fund, shares, mutual funds, insurance is in the hands of mortal persons and institutions which can be destroyed anytime. If the person in front of fund, shares, mutual fund turns away, then even a pot of water cannot be heated by them.

There is also possibility of **Country risk** which includes breaking of a country into two parts like when Pakistan was divided into two parts Bangladesh and Pakistan in 1971. The people of Bangladesh whose investment was in any bank of Pakistan, the Government of Bangladesh can deny them by saying that you had given the money to the Government of Pakistan. And the government of Pakistan can declare Bangladesh an enemy country and confiscate the money of the citizens of Bangladesh which was deposited in Pakistani banks. There is country risk even in case of land, those who are from Pakistan but in such condition, you can move to other country with your gold so on this criterion also gold is safe.

### 3. Return

In India, maximum 8% interest is available in FDR but the inflation rate remains around 10%. This means that your FDR is decreasing by 2% a year. Shares / mutual funds / insurance also do not cover inflation. Apart from gold, investment in land also covers inflation to some extent.

The investment should also cover the devaluation of the currency. For example, whenever there is a fall in the Indian rupee, the price of gold increases. FDR does not cover the devaluation of rupee. In a country like India whose currency is falling continuously, investing in gold is the best. In the year 1992, 1 dollar was 18 rupees, today in January 2023, 1 dollar has become 82. Only gold can cover this devaluation. With the increase in demand from the start of 2023, gold prices have started rebounding and have gained over Rs 5,800 per 10 grams.

### 4. Morality

If you invest your money in land, then no new land is created in India, but by increasing the price of land, you are killing the rights of poor, unemployed, forest, animals to land. How land was available to all at very low cost in Ancient India.

When you invest your money in a bank, the bank gives this money to a big capitalist who sets up a big factory and renders lakhs of people unemployed. The second bank gives this money of yours to a big capitalist who hoards some important things like land, rice etc. with this money, which he sells to you at twice the triple price and robs you.

If you invest your money in shares, mutual funds, insurance etc., then you give more power to a powerful person to rob.

Contrary to all these, if you invest in gold, then you are directly making your country a golden bird. When you buy gold, wealth from outside comes inside the country. This is how India became a golden bird. Second, by investing in gold, you are not stocking up on any essential item, so you can keep inflation under control.

## II. CONCLUSION

Investment in Fixed Deposits, Shares, Mutual funds, Insurance and land are the investment systems created by the capitalist economy model. The main objective of the capitalist system is to limit the control of all the country's resources, wealth and rights to a few big capitalists. Therefore, the capitalist investment system has been created keeping this objective in mind.

Investment in pure gold is the investment system of Ancient Indian economy model. Whose main objective is to ensure equal distribution of all resources, wealth, and rights of the country.

Overall, gold investment can be a good choice for Indian investors looking to diversify their portfolio and protect their wealth from inflation. However, like any investment, it is important to do your research and understand the risks before investing in gold.

Bring back the golden age of India. Invest in gold.

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