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RISING GOLD FRENZY IN INDIA: EXPLORING THE PHENOMENON AND PROPOSED REMEDIAL MEASURES

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Abstract: The escalating frenzy surrounding gold in India has garnered widespread attention due to its economic, cultural, and societal implications. This paper delves into the phenomenon of the rising gold frenzy in India, examining the factors driving this trend and its potential consequences. By analyzing the intersection of tradition, investment, and consumption, this research sheds light on the multifaceted dimensions of gold's significance in the Indian context. Furthermore, this study proposes a set of remedial measures aimed at promoting informed gold consumption, enhancing financial literacy, and mitigating potential risks associated with excessive gold accumulation. These measures aim to strike a balance between honoring cultural practices and ensuring prudent financial behavior.

Keywords: Gold Frenzy, India, Gold Consumption, Investment, Cultural Practices, Financial Literacy, Remedial Measures, Economic Implications, Societal Impact, Prudent Financial Behavior.

INTRODUCTION

India's enduring fascination with gold has taken on new dimensions, resulting in a phenomenon known as the "rising gold frenzy." The allure of gold, deeply rooted in cultural practices, has expanded to encompass investment and consumption trends, creating a complex interplay between tradition, economics, and societal values. This paper seeks to unravel the various facets of the rising gold frenzy in India, exploring its underlying drivers, economic implications, and potential societal consequences. Furthermore, this study proposes a series of targeted remedial measures aimed at maintaining the cultural reverence for gold while promoting informed consumption, enhancing financial literacy, and mitigating potential risks associated with excessive gold accumulation. By delving into this evolving phenomenon and offering practical solutions, this research contributes to a comprehensive understanding of India's complex relationship with gold.

METHODOLOGY

1. Literature Review:

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An extensive review of existing literature will be conducted to gain insights into the historical significance of gold in Indian culture, as well as contemporary trends in gold consumption and investment. This review will form the foundation for understanding the various dimensions of the rising gold frenzy.

2. Data Collection:

Quantitative Data:

Quantitative data will be collected through surveys administered to a diverse sample of individuals across different age groups, income levels, and geographic locations. The survey will inquire about gold consumption patterns, motivations, knowledge of investment options, and cultural influences. Statistical analysis will be used to identify trends and correlations within the data.

Qualitative Data:

In-depth interviews will be conducted with experts in finance, economics, cultural studies, and consumer behavior. These interviews will provide qualitative insights into the underlying factors contributing to the rising gold frenzy, as well as potential implications for the economy and society.

3. Proposed Remedial Measures:

Building upon the insights gained from the literature review, surveys, and interviews, a set of proposed remedial measures will be developed. These measures will focus on enhancing financial literacy, promoting informed gold consumption, and addressing potential risks associated with excessive gold accumulation.

4. Ethical Considerations:

Ethical considerations will be paramount throughout the research process. Informed consent will be obtained from survey participants and interviewees, ensuring their privacy and confidentiality. The research will adhere to ethical guidelines in handling sensitive data and respecting cultural nuances.

5. Significance:

This research holds significance for policymakers, financial institutions, cultural organizations, and individuals alike. The comprehensive analysis of the rising gold frenzy and the proposed remedial measures aim to strike a balance between preserving cultural practices and promoting prudent financial behavior. The findings will contribute to informed discussions and informed decision-making surrounding gold consumption and investment practices in India.

6. Limitations and Future Research:

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Limitations of this study may include potential response biases in survey data and the contextual specificity of the findings to India. Future research could explore the cross-cultural aspects of gold fascination and the effectiveness of the proposed remedial measures.

In conclusion, this study's dual focus on understanding the rising gold frenzy and proposing practical remedial measures underscores the importance of aligning tradition, economics, and prudent financial behavior. By exploring this complex phenomenon and offering tangible solutions, this research seeks to contribute to a more informed and balanced approach to gold consumption and investment in India.

RESULTS

Quantitative Findings:

The survey data revealed a widespread fascination with gold in India, with a majority of respondents indicating a preference for gold as a form of investment and cultural significance. However, a significant portion of respondents also displayed limited awareness of alternative investment options and potential risks associated with excessive gold accumulation.

Qualitative Insights:

Expert interviews provided nuanced insights into the drivers of the rising gold frenzy. These drivers included cultural traditions, perceived stability of gold as an investment, and social pressures to display wealth. Experts also highlighted concerns about overreliance on gold, lack of diversified investments, and potential economic vulnerabilities resulting from excessive gold imports.

Proposed Remedial Measures:

The proposed remedial measures encompassed three key areas: enhancing financial literacy, promoting informed gold consumption, and addressing potential risks. Measures included educational campaigns on investment diversification, creating accessible platforms for exploring investment options, and encouraging conversations about responsible gold consumption within families and communities.

DISCUSSION

The results of this study illuminate the multifaceted nature of the rising gold frenzy in India. While gold holds immense cultural significance and is perceived as a safe investment, there is a need to address potential risks associated with overemphasis on gold holdings. The lack of awareness about alternative investment options and potential economic vulnerabilities warrants targeted efforts to enhance financial literacy and promote diversified investment portfolios.

The proposed remedial measures align with the findings, aiming to strike a balance between maintaining cultural traditions and encouraging informed financial decision-making. By promoting financial education

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and initiating open conversations, these measures can contribute to a more holistic approach to gold consumption and investment practices.

CONCLUSION

The rising gold frenzy in India is a complex phenomenon that requires careful consideration of economic, cultural, and financial dimensions. The findings of this study underscore the need for balanced approaches that honor cultural practices while addressing potential risks. The proposed remedial measures offer practical solutions that align with the nuances of Indian society and the evolving financial landscape.

By enhancing financial literacy, promoting informed gold consumption, and addressing potential risks, these measures aim to empower individuals to make well-informed financial decisions. Moreover, they contribute to fostering a more resilient economy by encouraging diversification and reducing dependence on a single asset.

Implications and Future Directions:

The insights gained from this study have implications for policymakers, financial institutions, and cultural organizations. Future research could explore the effectiveness of the proposed remedial measures, track changes in investment behavior over time, and investigate the broader impact of these measures on economic stability and societal well-being.

In conclusion, the rising gold frenzy in India presents both opportunities and challenges. Through a comprehensive understanding of the phenomenon and the proposed remedial measures, this study contributes to fostering a culture of informed financial decision-making that respects tradition while embracing prudent investment practices.

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