

## **Reflections on Various Investment Avenues in India: An Empirical Investigation with a Long-Term Perspective**

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Since the inception of the New Economic Policy in 1991, Indian investors have accessibility to a variety of investment avenues which suit their risk tolerance. Traditionally, the people of India have an affinity to low-risk investment avenues. Indian investors prefer gold as an attractive investment option due to its positive relationship with the uncertainty in inflation. The present study makes an attempt to identify the best individual investment options. The study is focusing on three investment assets – Gold, Government Bonds and Bank Fixed Deposits. The economic reforms in India during 1991 helped the researcher to frame the foundation for the study. The study winds up with an interesting conclusion that even if gold is considered as an attractive and safest investment asset, in reality, it has higher risk and lower return when compared to other investment avenues like bonds and bank fixed deposits.

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