

M.L.Dahanukar College of Commerce

# THE BAF TIMES

---

ISSUE VI

8 JAN 2022

VOL III

---

**FEATURES**

**AAJ KI KHABAR | PAGE 3**

Weekly updates  
about the finance  
world

**CROSSWORD | PAGE 13**

Increase your finance  
knowledge while having  
fun

---



# FOREWORD



## Idea Behind This Weekly Newsletter

Being a Commerce College, students are expected to know the changes in the business world. This weekly newsletter will help the students get acquainted with a glimpse of what happened in the week gone by. It will also have insights into various business and commerce related updates which will help you gain in-depth knowledge. Make it a point to read each and every article in this issue and stay updated so that you don't get outdated.

- DR. D. M. Doke, Principal



# TABLE OF CONTENTS

## **3 Aaj ki Khabar**

Weekly updates about the finance world

## **5 BLACK SWAN EVENTS IN STOCK MARKET**

A black swan is an unpredictable event that is beyond what is normally expected of a situation and has potentially severe consequences.

## **8 What are NFTs?**

NFTs are digital assets that can be associated with real-world objects like art, music, and videos.

## **11 GST AMENDMENTS FROM 1ST JANUARY 2022**

A list of Changes in GST from 1st January 2022

## **13 Crossword**

Increase your finance knowledge while having fun



# AAJ KI KHABAR

- Interest rates of PPF, NSC, KVP and other small savings schemes to remain unchanged up to March 31, 2022
- HDFC Life completes Exide Life's acquisition, merger soon
- GST collection at Rs 1.29 trn in December 2021: FinMin
- Nearly 5.89 cr ITRs for FY21 filed till Dec 31 deadline
- GST evasion of ₹40,000 crore detected from fake invoicing, fraud claims
- States demand GST compensation for 5 more years after 2022
- Benefit of reduced performance security extended till March 2023
- IDFC First Bank board favours merger with promoter entities



# AAJ KI KHABAR

- Sarfaesi outperforms IBC in FY21 loan recovery: RBI data
- HDFC Bank ties up with IPPB to deliver banking services in semi-urban, rural areas
- ATM usage to become expensive from Jan 1
- New Fund Offer 2022: NIMF launches Nippon India Nifty Auto ETF – India's first Auto ETF
- Budget FY23: Special Economic Zones may get a Budget boost
- IPO craze to continue in Mar quarter; 23 companies line up public issues worth Rs 44,000 cr
- Samsung to bring 'groundbreaking' NFT support to 2022 TVs

# BLACK SWAN EVENTS IN STOCK MARKET

Ms. Riya Giridhar,  
SYBAF

A black swan is an unpredictable event that is beyond what is normally expected of a situation and has potentially severe consequences. The term was popularized by Nassim Nicholas Taleb, a finance professor, writer, and former Wall Street trader. Taleb wrote about the idea of a black swan event in a 2007 book prior to the events of the 2008 financial crisis. Black swan events are characterized by their extreme rarity, severe impact, and the widespread insistence they were obvious in hindsight.

A Black Swan As An Event Is Described As:

1. Is so rare that even the possibility that it might occur is unknown
2. Has a catastrophic impact when it does occur
3. Is explained in hindsight as if it were actually predictable

Taleb argued that because black swan events are impossible to predict due to their extreme rarity, yet have catastrophic consequences, it is important for people to always assume a black swan event is a possibility, whatever it may be, and to try to plan accordingly. Some believe that diversification may offer some protection when a black swan event does occur.

For extremely rare events, Taleb argues that the standard tools of probability and prediction, such as the normal distribution, do not apply since they depend on large population and past sample sizes that are never available for rare events by definition. Extrapolating, using statistics based on observations of past events is not helpful for predicting black swans, and might even make us more vulnerable to them. The last key aspect of a black swan is that as a historically important event, observers are keen to explain it after the fact and speculate as to how it could have been predicted. Such retrospective speculation, however, does not actually help to predict future black swans as these can be anything from a credit crisis to a war.



## FEW EXAMPLES:

1. The crash of the U.S. housing market during the 2008 financial crisis: is one of the most recent and well-known black swan events. The effect of the crash was catastrophic and global, and only a few outliers were able to predict it happening.

2. Harshad Mehta Scam: The Harshad Mehta Scam, when exposed, had staggering effects on the Indian economy that had just opened up to the world. The scam amounted to Rs. 4025 crores which today would amount to Rs. 24000 crores. The scam resulted in the BSE Sensex falling by almost 45%. It took almost 18 months to recover post this.

3. The 9/11 Attacks: The Attacks on the twin towers of New York World Trade Centre too is a Black Swan. The attacks led to the closure of the NYSE and NASDAQ. Estimates state that up to 1.4 trillion was lost within a week. The airline industry was the worst impacted due to the attack.

## STEPS TO TAKE DURING A BLACK SWAN EVENT:

1. Staggering Investments: While investing during an ongoing black swan event it is best that the investors stagger their investments over a period of time instead of investing lump sums in one go. This is because the duration of a black swan event is difficult to predict. Staggered investments will provide investors the opportunity to take advantage of falling prices during bearish trends.

2. Take Shelter in Safer Investment Options like Gold: Gold is considered a safe-haven when a black hawk event occurs. It is best to diversify investments beforehand into gold. During the Arab oil embargo between 1971 and 1979, when the world was rocked, the prices of gold skyrocketed 2400%. The increase in gold prices during black swan events has repeated time and again for eg. 9/11, the 2008 crisis, and again during COVID-19.



3. Only look for companies that are already financially sound instead of ideas: Prior to black swans when the market is doing good even companies with weak financials but great innovative ideas are able to raise funds and thrive. But after a crash, these companies find it hard to even survive. Hence during a black swan, it is best to invest in financially sound companies that are cash-rich, have good ROCE, low debt, and good management.



# WHAT ARE NFTS?

Mr. Rudra Ashtikar,  
SYBScIT

NFTs are Non-fungible tokens.

Ok, that doesn't explain anything.

Let's understand fungible first. For example, bitcoin is fungible -- trade one with another bitcoin and you'll have exactly the same thing. A one-of-a-kind portrait painting, however, is non-fungible. There can be several replicas of the Mona Lisa, but the one in the museum will always hold greater value.

NFTs are digital assets that can be associated with real-world objects like art, music, and videos. They are used to provide a public certificate of ownership or proof of authenticity, but, it does not restrict the sharing or copying of the underlying digital file.

How do NFTs work?

Most NFTs are part of the Ethereum blockchain, Ethereum is a cryptocurrency like bitcoin or dogecoin, but it makes the trading of NFTs possible, which stores some extra information that makes the NFTs Non-Fungible as opposed to, say, an ETH coin.

Why would you want to own something that can be downloaded for FREE?

How would you exactly OWN a digital asset? This was a challenge some years ago but the Blockchain technology has made it easy and possible. When you create an NFT you are claiming ownership of it, and since blockchain is decentralized, and no one can alter what's been entered on someone's name earlier, it is easily verified by the data stored about that NFT on the Blockchain on which you created it. So even if they can be downloaded the NFT piece can't be used for commercial purposes without copyrights.



How can you buy NFTs?

If you are profound to start your NFT collection you'll need to acquire a few key items:

First, you'll need to get a digital wallet to store your NFTs. And purchase some cryptocurrency like Ether, depending on what currencies your NFT provider accepts. You can buy crypto using platforms like Coinbase, CoinSwitch Kuber, CoinDCX. You'll then be able to move it from exchange to your crypto wallet, where you can buy and store your NFTs.

Popular marketplaces to buy NFTs?

Several marketplaces offer NFTs trading but the few popular are OpenSea, Rarible, and Foundation every marketplace has its own set of rules so you would have to research before you start to trade.

Should you buy NFTs?

NFTs market are still new, although there's a tremendous upside they have a downside as any other investments do.


Just because you can buy NFTs, does that mean you should? It depends, Yu says.

"NFTs are risky because their future is uncertain, and we don't yet have a lot of history to judge their performance," she notes. "Since NFTs are so new, it may be worth investing small amounts to try it out for now."

In other words, it's a largely personal decision.

But keep in mind the value of your NFT depends on what someone else is willing to pay for it. Therefore, demand will drive the price rather than fundamental, technical, or economic indicators, which typically influence stock prices.

All this means an NFT may resale for less than you paid for it. Or you may not be able to resell it at all if no one wants it.



Another upside of creating an NFT is you will own that asset, unlike regular art pieces, which once sold are not owned by you exactly. NFTs give creators the ability to earn past its initial selling, Creators of the NFTs can receive royalties every time the NFT is sold to a new owner, makes you tickle to get started right away doesn't it?

Well, there's a "but" here, NFTs are subject to capital gain taxes— just like you sell stocks for profits and they may be taxed at a higher collectibles tax rate, since they are considered are collectibles. Bear in mind, the cryptocurrencies used to purchase the NFT may also be taxed if they've increased in value since you bought them, meaning you may want to check in with a tax professional when considering adding NFTs to your portfolio.

That said, approach NFTs just like you would any investment: Do your research, understand the risks—including that you might lose all of your investing dollars—and if you decide to take the plunge, proceed with a healthy dose of caution.


# GST AMENDMENTS FROM 1ST JANUARY 2022

Prof. Rahul Jaiswal

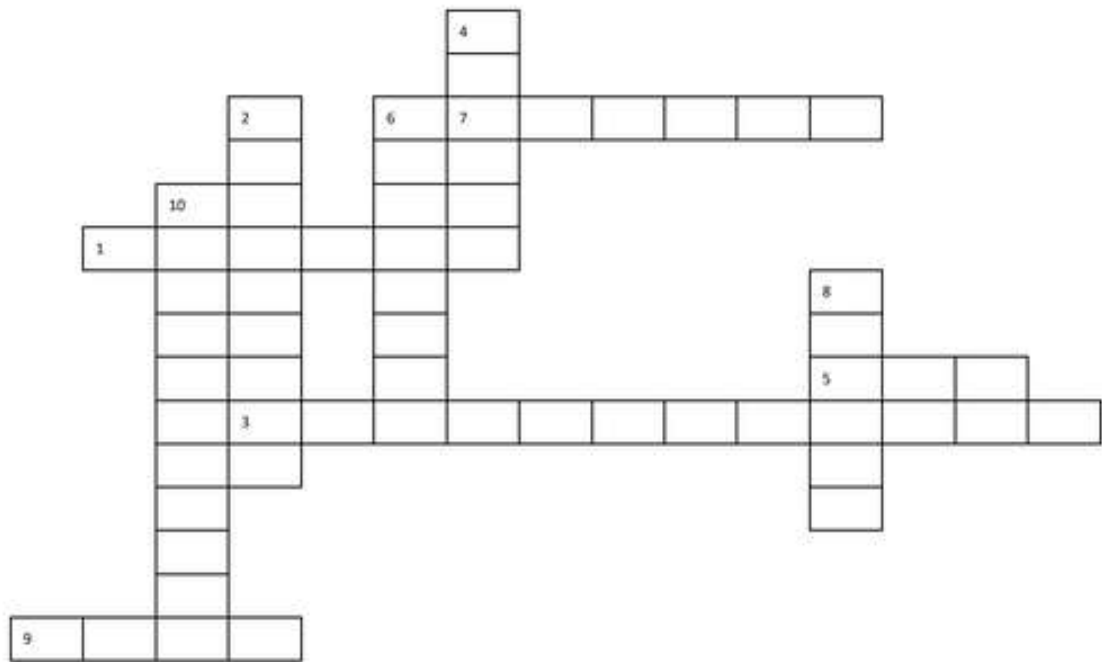
M.S. College of Arts, Science, Commerce and BMS

Kausa, Mumbra

- GST ITC available to Recipient only when supplier pay & file GSTR 1, which matches with GSTR 2A/2B.
- Registered persons cannot file GSTR -1 if not furnished GSTR -3B for the preceding month.
- Recovery of self-assesses tax without SCN if there is difference between GSTR-1 & GSTR-3B.
- Commissioner can pass order for Provisional Attachment of property / bank account of taxable or any person to protect Government revenues.
- Minimum Pre-deposit of 25% fo filling appeal against e-way bill violations.
- GST leviable on services provided by club or Association to its members retrospectively w.e.f 01/07/2017.
- Food delivery aps like Zomato & Swiggy and Cloud kitchens brought within the restaurant services , liable to pay GST @ 5% with NO ITC.
- Job work services w.r.t dyeing or printing of textile & textile products falling under Chapter 50 to 63 taxable @12% to registered persons & 18% to unregistered persons.

- 
- Composite supply of works contract services to Government Authority or Government Entity taxable @18%.
  - Aadhar authentication is compulsory under GST for filling refund claim & application for revocation of cancellation of registration.
  - GST Dept.can collect data from any person under GST & Amendments proposed in Section 129 & 130 of the CGST Act,2017.

# CROSSWORD



## ACROSS:

1. Supply and price have \_ \_ \_ \_ relationship.
3. Other term used for Sales Return.
5. Short form of Automated Teller Machines.
7. Main objective of an organization is to earn \_ \_ \_ \_ \_ .
9. Rent is a factor reward of \_ \_ \_ \_ \_ .

## DOWN:

2. Loan which expires within 1 year.
4. Purchase of goods and services to our country from abroad.
6. Below par value.
8. A person who accepts a bill of exchange.
10. Winding up of partnership business.



**Designed by:  
Bhavya Bhat, TYBAF**

**BAF TIMES Team  
Aditya Patil, Bhavya Bhat, Gargi Patil, Nrupali Patkar**

If you wish to contribute your articles to be featured in the next issue, please mail your articles on [swapnils@mldc.edu.in](mailto:swapnils@mldc.edu.in) or contact on 9987094858 by Tuesday of every week and wait for the issue to be released on Saturday.

All Articles in this issue are the personal views of the authors and the college does not necessarily subscribe to the personal views of the authors.

**Editor-in-Chief  
CS Swapnil Shenvi, Coordinator – B.Com.(A&F)  
M.L.Dahanukar College of Commerce**

ANSWERS

ACROSS: 1. DIRECT 3. RETURN INWARD 5. ATM 7. PROFIT 9. LAND

DOWN: 2. SHORT TERM 4. IMPORT 6. DISCOUNT 8. DRAWEE 10. DISSOLUTION