



# ECOVERSE

METaverse OF ECONOMICS



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DEPARTMENT OF ECONOMICS  
**GAUHATI COMMERCE COLLEGE**



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With immense pride, we join our dear students to launch the first edition of E-magazine of Department of Economics, Gauhati Commerce College "ECOVERSE - The Metaverse of Economics."

It began with an idea discussed in 4th semester class. Navneet immediately picked it up. A team got its shape and within a week, a blue print of the project was finalised! Yet another example of the competency of Gauhati Commerce College students.

From the Department of Economics we congratulate the editorial team and the contributors for their earnest efforts in bringing out the first edition. Best wishes for the success in ensuing endeavours.

With love and regards from your teachers.

1. Dr. Jonalee Bordoloi.
2. Dr. Rafique Uddin Ahmed.
3. Dr. Purabi Bharali.

*Gauhati Commerce College*



# **EDITOR'S NOTE**

**On behalf of our team, I welcome all of you to have a whole new experience with our E-Magazine.**

**It all began with an idea discussed in the class of Indian Economy giving us the opportunity to build our own empire. With the initial support of our teachers and friends, it started and now we have a competitive and beautiful team of 24 diligent members, all set to fly high.**

**With a huge investment of time; from reasoning whole day to sleepless nights, this magazine tries its best to present various trendy topics in a simplified manner with interesting and informative content in order to enable the readers to understand easily.**

**Hope reading this magazine adds value to you.**

**Navneet Goyal.  
Editor in chief.**



# G20: A STEP TOWARDS BECOMING A SUPERPOWER



**W**ith India taking charge of its presidency at the G20 summit, we as its citizens must know what it is all about.

G20 or Group of Twenty is a geopolitical forum comprising the 20 biggest economies of the World such that they represent approximately 80% of the Gross World Product, 60% of the World's Land Area, 75% of the International Trade, and most importantly it includes 2/3rd of the World's Population. What it is all about.

The need for G20 was felt in a globalized era where things happening in one part of the world had effects in another part also. As a result, G7 (Group of 7 developed countries) realized that cooperation of other countries was equally necessary and hence, the inaugural meeting of G20 was held in the year 1999. Since then, it includes 19 nations along with the European Union-

**Germany, France, South Africa, Australia, Canada, United Kingdom, United States, India, Mexico, Brazil, China, Italy, Saudi Arabia, Russia, Japan, Argentina, Indonesia, Turkey, South Korea, and the European Union are the former nations/members of G20.**



The first meeting took place in Washington DC, in the year 2008 and since then it has been taking place once a year with the aspect of breaching its world wide objective i.e., Global Finance, World Economy, Climatic Change, and Sustainable Development.



## INDIA TOOK THE RESPONSIBILITY TO HOLD THE PRESIDENCY AT G20 FROM 1ST DECEMBER 2022, TO 30TH NOVEMBER 2023.

The forthcoming 18th meeting is scheduled to take place in Pragati Maidan, New Delhi in September under the leadership of Indian Prime Minister, Narendra Modi as the Chairman along with some other Ministers in charge respectively. Previous President Indonesia, Present President India, and Future President Brazil will be forming a Troika for the year 2023. It is happening for the first time that the countries forming the troika are all developing countries. The last summit to be held took place in many countries including Bali, Indonesia in the year 2022, November, completely based on a virtual meeting that mainly focused on Global Health Architecture. The following meetings will be held in India and Brazil for the subsequent years i.e., 2022 and 2023.

From Kashmir to Kanyakumari, 200 talks in over 50 various locations across 32 distinct work lines will be conducted throughout the course of the year in locations that are seldom visited to highlight the grandeur and wealth of India. This is the first time that Jammu and Kashmir will host to a meeting of this magnitude on a global level. The towns of Mumbai, Bangalore, Calcutta, Udaipur, Ahmedabad, etc. have all played host to G20 sessions while India has held the presidency. Health, labour, financial, environmental, educational, climate change, and other related topics will be discussed as part of the G20 Summit, including the T-20 Summit, W-20 Summit, Y-20 Summit, and Think Tank Summit. In addition, on December 1st, as India assumes the chair of the G-20, it will use its presidential insignia to illuminate 100





# G20: A STEP TOWARDS BECOMING A SUPERPOWER

landmarks across the country.

UP, Lucknow will be hosting G20 meetings on February 13 and 15, 2023 respectively. The main aim is to focus on Artificial Intelligence thereby putting forward their technical competencies. Emphasis would be laid on the digital economy. Since the entire theme is based on AI, therefore students and professors from across the state are asked to attend these subsequent meetings.

It is widely acknowledged that the Northeast, and especially the state of Assam, plays a pivotal role in reflecting not only the northeastern states of India but also the Asia-Pacific area. The recent rendezvous (Youth 20 Summit 2023) held by the Department of Youth Affairs from February 6 to February 8 had taken place in Guwahati. Delegates from all over the Globe showed up and participated in this 3-day event. Their principal motto was to emphasize climatic change or climatic adversities. More than 50 colleges and universities had gotten themselves to be a part of this prestigious event to create an inclusive deliberation process. 12000 students from all over Assam had the chance to interact with them in international Youth Delegates and are known to have exchanged ideas for a brighter future.

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This Presidency is a golden opportunity for India to ensure and enhance its soft power. We are making huge leaps in green energy and have the most advanced fintech which the world is yet to know. Where the western media is busy spreading negativity and taking an Anti-India stand, the presidency at G20 is a perfect time to demonstrate our unity and show the world our advances, development, and rich heritage.

"वसुधैव कुटुम्बकम्"- India is to emphasize the motto, "One Earth, One Family, One Future". With the vision to establish itself as a Vishwa Guru and promote the message of "Vasudhaiva Kutumbakam", India will be able to present its diversity to its outside world.

India indeed has immense and greater potential in every aspect. The mainstream infrastructures, diversified culture and heritage, plentiful resources, and manpower have made this nation one of the biggest geopolitical members of the G20 and consequently, India is ready to lead the digital transformation of the world.





# UNION BUDGET : THE ROADMAP OF INDIA

## INTRODUCTION

### AMRIT KAAL

India is pegged to be the fastest growing economy in the world and as citizen of India it's our responsibility to know how are funds are being used by the Government. It is a crucial tool for attaining financial independence and freedom and a step towards the brighter future.



Since 19th century, we have come across the term "Budget". Simply, Budget is a spending plan based on income and expenditure. Article 112 of the Indian Constitution defines Budget as "Statement of estimated receipts and expenditure of the Government in a Financial Year".

## DETAILS

THE FINANCE MINISTER OF INDIA PRESENTS THE BUDGET ON 1ST FEBRUARY EVERY YEAR IN THE LOK SABHA. THE BUDGET DIVISION OF DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE IS THE NODAL (CENTRAL) BODY RESPONSIBLE FOR PREPARING THE BUDGET. THE BUDGET COMPRISES THE DETAILS OF THE ACTUAL RECEIPT (INFLOW) OF THE PREVIOUS FINANCIAL YEAR AND ESTIMATED EXPENDITURE (OUTFLOW) TO BE INCURRED IN THE UPCOMING FINANCIAL YEAR. IT IS THE MOST IMPORTANT ECONOMIC EVENT THAT EVERY CITIZEN MUST WITNESS AND ACKNOWLEDGE.



- The 1st Budget of Independent India was presented in the year 1947
- 1st Paperless Budget was presented on February 1, 2021 due to Covid-19 pandemic.
- Budget 2023 is the 1st budget of Amrit Kaal with key theme of Sabka Sath, Sabka Vikas, focused to create a prosperous and inclusive society by 2047.

On February 1, 2023, Union Finance Minister Nirmala Sitharaman presented the Budget for the year 2023-24. In a big boost for taxpayers and the economy, Sitharaman announced major changes in tax slabs under the new tax regime and a big hike in allocation for railways and capital expenditure (investment in assets). Total estimated receipts (excluding borrowings) accounted to be of Rs. 27.2 Lakh Cr. whereas total estimated expenditure accounts to be of Rs. 45 Lakh Cr. with a Fiscal deficit (Expense > Receipt) of 5.9% of Gross Domestic Product (GDP) lower than revised estimate of previous year of 6.4% of GDP. The Gross market borrowings are estimated at Rs. 15.4 Lakh Cr.

# GREEN GDP: A SUSTAINABLE ECONOMY

## WHAT IS GREEN GDP?

**W**hen we talk of the colour green. What's the first thing that comes to your mind? Maybe plants, or the environment or maybe a green apple. But do you ever heard of Green GDP?

Before diving in, let us know what GDP really is. GDP of a country refers to the "Total monetary value of all the Final Goods & Services produced in an Economy during a year" which lay more emphasis on the quantitative aspects. This ignorance of qualitative aspect over quantitative aspect give rise to the need for Green GDP.



## ROLE OF GREEN GDP

**T**he Green Gross Domestic Product or Green GDP, accounts the country's regular GDP's environmental outcomes, in addition to the conventional GDP of a country. For more accurate estimate of welfare and economic performance the modern economists suggest to take the damage caused to nature into account. Green GDP plays a major role in determining a country's lost biodiversity and the changes in climate.



**F**or example- If a geographical location has better air quality than other regions, people in this region are expected to live more healthier and productive lives, resulting in better Green GDP. It is calculated by deducting Net Natural Capital Consumption from GDP which encompasses depletion of resources and deterioration of environment. In other words

$$\text{Green GDP} = \text{GDP} - \text{Cost of resources} - \text{Cost of environment} + \text{Savings of resources and environment}$$





# GREEN GDP: A SUSTAINABLE ECONOMY

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## 90'S TO NOW

In the early 1990s, the shortcomings of traditional GDP, accounted at best the economic costs of natural resource depletion and additional damages which influenced human welfare.

In the recent years, Green GDP accounting has become a significant basis to develop and implement the sustainable development strategies in the world. In the year 2004, China was the first country to introduce green accounting. China started the resolution by replacing the traditional GDP accounting system with Green GDP, but soon dropped it in the year 2007 owing to factoring of environmental costs which had significant impact on their perceived economic growth.

## FUTURE

India incorporated Green GDP from September, 2006 by setting up an expert group by the Ministry of Statistics and Programme Implementation led by Partha Das Gupta to work at a framework for green nation accounts in India. Currently India is moving ahead towards attaining the target of 50% non fossil power generation capacity by 2030.

## FLAWS

Like any other system in the world, the system of Green GDP also consists flaws. The most difficult hurdle for Green GDP is realistic accounting, as we are effectively assessing the intangible items and estimating the monetary values connected with them is exceptionally challenging, whereas it's nevertheless, evolving. Many academics and researchers are working in a way to make it more pragmatic and feasible.

Green GDP's implementation is helpful in accountability to the governments worldwide to ensure that the market system grows while the natural system flourishes. Also for building interrelationship between market and nature as the heart of Green GDP approach lies in the belief that nature and market are not mutually exclusive variables.

# GENDER BUDGET: A PATH TO EQUALITY

## INCREASE IN GENDER ISSUES

In our country woman is addressed as goddess but are they getting the same opportunities as man?

Although the Indian government's experience with gender budgeting is widely used as a frame of reference for other gender budgetary control initiatives, there seems to be a visible gap between what was originally intended and what has been accomplished under the pretense of gender budgeting.

The Central Government introduced Gender budgeting in year 2005-2006 as a Budgetary practice in India, with an aim to promote equality through fiscal policies. It is one of a number of gender mainstreaming techniques which assist in incorporating gender issues into political decisions in order to further the goals of gender equality. Since then India's gender budgets have succeeded in drawing attention to pressing gender issues.

## SIGNIFICANCE

Gender budgeting is a significant economic tool as :

- 1) It is a crucial instrument for public governance
- 2) it helps in eradicating the gender hierarchy
- 3) it helps to allocate and implement policies that eliminates gender imbalances.



Union Finance Minister Nirmala Sitharaman presented India's 17th gender budget on February 1, 2023. In her speech, the Finance Minister emphasized on shifting the focus from women's development to women led development. The Union Budget allotted 2.23 lakh crore for India's Gender Budget in this fiscal year and 1.43 lakh crore in the previous fiscal year, with the initial objective to close the gender gap. The estimated Gender Budget stood at 4.96% of the total expenditure this year to 4.33% last year.

In the largest democracy of the world, women constitute about 48% of the total population. Hence it's necessary to pay adequate attention to the sector of Gender Budget for the overall growth of the nation. But apart from the total gender budget it's 70% lies idle in the hands of bureaucracy. In addition, the few sectors still lack the proper accreditation:  
General wellbeing  
Women's empowerment  
Reproductive freedom, and  
Non-discrimination.



# SCAM 1992: THE LOOPHOLE EXPLOITED

## ECO BUZZ

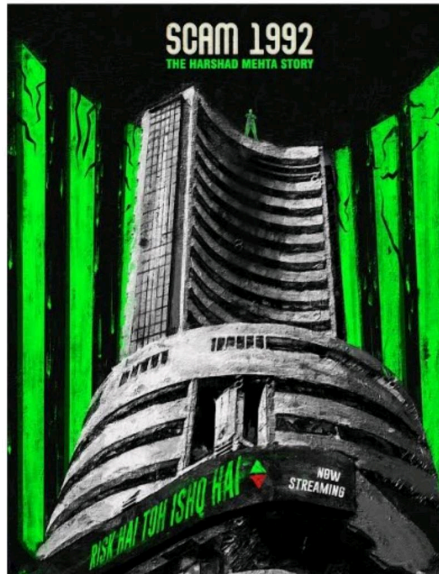
### WHAT EXACTLY HAPPENED?

How "Scam 1992" remodeled the whole Indian Finance Sector.

The 1992 Indian stock market scam was one of the biggest financial scandals in the history of India which accounted fraud of approximately Rs.5000 crores. The scam was planned very systematically taking advantage of the loopholes present in the stock market and banking sector at that point of time with the use of bank receipts and stamp paper.

On April 23, an article published by prominent journalist Sucheta Dalal unveiled the fraud. Allegedly, the orchestrated stockbroker Harshad Mehta a.k.a. "The Big Bull", exploited several loopholes in the Indian banking system to siphon off funds from the stock market. Mehta used a technique called "price rigging" to drive up the price of certain stocks by creating an artificial demand that allowed him to sell the shares at inflated prices. As a result, after the scam was eventually uncovered, the whole banking sector and the Indian stock market collapsed causing significant financial losses. BSE fall down upto 40% giving a setback of Rs. 1Lakh crores to the shareholders. The defrauds stagnated the economy as India was going through LPG economic policy.

Mehta was arrested and charged with several offenses, including fraud and forgery. In 2001, he suddenly died of heart failure during trial in Thane prison. "SCAM 1992" SONY LIV'S popular webseries took the whole binge watchers community by storm, on this issue.



## THE AFTERMATH

The scandal led to several reforms in the Indian financial system. Here's what happened after :

- Guidelines were issued regarding full disclosure of information
- SEBI as an statutory authority came in effect in share market.
- Foundation of NSE took place
- De materialized securities came in existence
- Changes made in audit of bank
- Replacement of carry forward System



## DETAIL

In 1992, SEBI (Securities and Exchange Board of India) was established as a regulatory body with a view to control marketable securities and stock exchanges. By the side, the apex bank of India, RBI ( Reserve Bank of India) reinforced banking regulations, introducing new guidelines for lending and investment practices of banks. RBI also decreed that banks must maintain a minimum level of capital and liquidity to fortify financial stability.

In order to reduce the risk of fraud, government introduced electronic trading. Securities Laws (Amendment) Act , 1995 came into force to protect the interest of investors. The Financial Intelligence Unit (FIU) was established in 2004 to combat money laundering and terror funding. PMLA (Prevention of money laundering act) was enacted in 2002, aiming to confiscation of fraudulent property involved.

With these various other reforms came to life in order to strengthen the financial sector and to prevent the recurrence of history in the near future. Though it was the biggest downfall for India's economy, it showed some major discrepancies and left us with great Learnings.



# CRYPTOCURRENCY:

## "A GAME CHANGER IN THE WORLD OF FREEDOM AND FINANCE ?"

### INTRO

"INVESTING IN CRYPTO IS GAMBLING?"

*"C" crypto is a Scam"*  
*crypto is just a bubble"*

*"It is used for Illegal activities only"*  
These are the things that we the people attach the term **"cryptocurrency"** with.

But now pops up the question

**"What is a Cryptocurrency?", "How do they work?" and "Where did it come from?"**.

Let us first understand

### What is a Cryptocurrency?

A "cryptocurrency" is simply another form of digital currency. Oversimplified? The key difference between cryptocurrency and fiat currency is that fiat currency is a form of money<sup>1</sup> that is centralized, backed, and managed by a recognized government entity, like the Reserve Bank of India. Whereas in the case of cryptocurrencies, it is decentralized and there is no single entity that holds all the powers instead it is shared with everyone and managed by the peers in a blockchain themselves thus creating a self-regulating system without the need for 3rd party intervention.

### Evolution of cryptocurrency (where it all began):

The birth of cryptocurrency was started by a pseudonymous<sup>2</sup> person or persons under the username Satoshi Nakamoto, who developed Bitcoin, authored the Bitcoin white paper, and created and deployed Bitcoin's original reference implementation, i.e., the first blockchain database. The first decentralized cryptocurrency was Bitcoin, which was first released as open-source software<sup>1</sup> in 2009. There are currently more than 12,000 cryptocurrencies in the world. Before cryptocurrency, investment was limited to gold, real estate, bank deposits, etc but in the last few years cryptocurrency especially bitcoin has taken the limelight. As can be seen that it has given exceptional returns in recent years. From 10000 bitcoins to buy 2 pizzas to 1 bitcoin valued at \$69000 the journey of bitcoin had been a roller coaster. As crypto started to gain popularity around the world, it gained popularity in India as well. There was news of overnight riches flooding social media. As a result, many crypto exchanges came into existence to match the demand and supply of cryptocurrencies.



**CRYPTO DO WE NEED CRYPTOCURRENCY?**

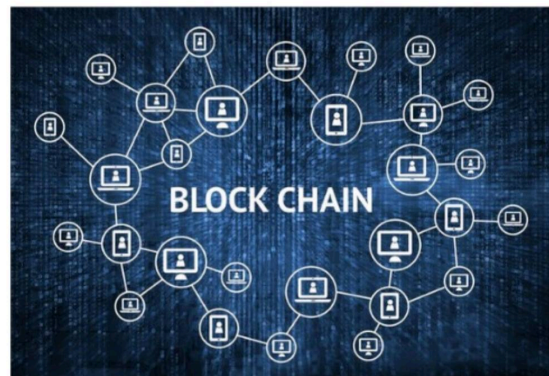
This question in and of itself is extremely divisive. Whether or not we need cryptocurrency is a matter of debate and depends on who we ask. Most things in life have both advantages and disadvantages, and cryptocurrency is no exception. While it offers some benefits, such as:

- Decentralization: Unlike traditional currencies, cryptocurrencies are decentralized, this can make them more resistant to censorship and manipulation.
- Security: Cryptocurrencies use advanced encryption techniques to secure transactions and prevent fraud.
- Ease of Access: Cryptocurrencies can be accessed by anyone with an internet connection, regardless of where they are located in the world.

It's worth noting that the benefits of cryptocurrency are still subject to debate and that cryptocurrencies also have potential risks and drawbacks which includes volatility, technical malfunctioning, limited acceptability, etc.

Cryptocurrency is a complex and undoubtedly rapidly evolving technology that has the potential to transform the financial industry and provide greater financial freedom and access, they also require a level of caution and understanding to navigate safely and effectively. The answer depends on us whether we are willing to adopt it or not.

### How do cryptocurrencies work?



The fact that cryptocurrencies are virtually immutable<sup>3</sup> is because of a technology called a blockchain.

A blockchain is fundamentally a ledger where all the transactions that occur are recorded but

instead of being recorded in a single place, it is recorded on several computers that all hold

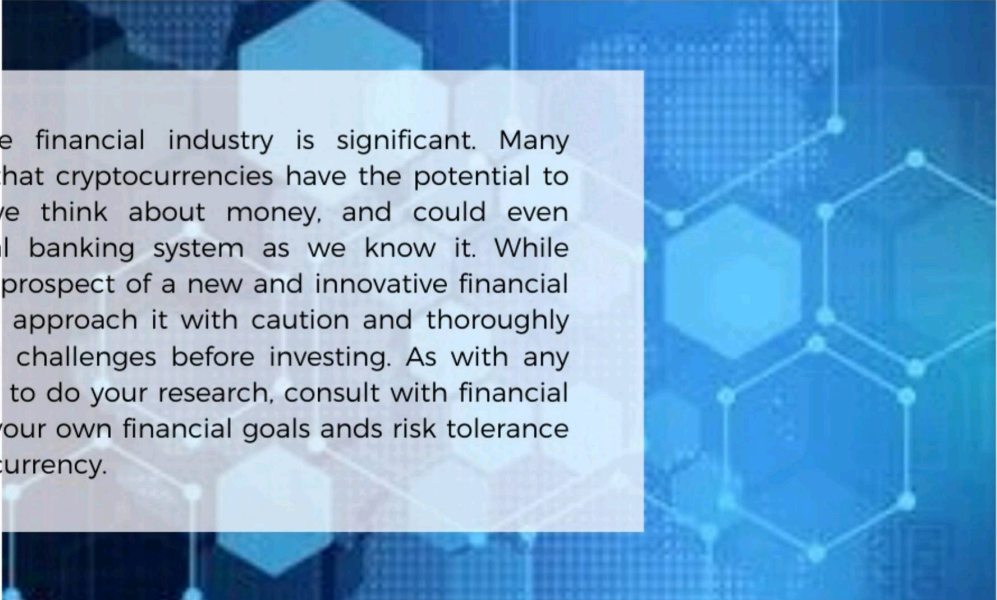
the same data of the transactions, these ledgers are called blocks, so if any person tries to alter the code of a block with their hacking skills, they would have successfully altered the data of that specific block in his favor but we know there are hundreds or thousands of blocks in the chain and when the system checks the transactions against all the blocks it will be evident that 1 out of 1000 has data that does not match and thus whistleblowing occurs. Another reason for cryptocurrency's immutability is it uses an encryption method called "Cryptography", hence the name "Cryptocurrency". This method makes the effort of hacking extremely difficult and when we translate it to 1000 blocks it becomes a monumental task.

Despite the challenges, the use of cryptocurrency is growing rapidly, and its



# CRYPTOCURRENCY: "A GAME CHANGER IN THE WORLD OF FINANCE AND FREEDOM"

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potential impact on the financial industry is significant. Many financial experts believe that cryptocurrencies have the potential to revolutionize the way we think about money, and could even challenge that traditional banking system as we know it. While cryptocurrency offers the prospect of a new and innovative financial system, it is important to approach it with caution and thoroughly understand the risks and challenges before investing. As with any investment, it is advisable to do your research, consult with financial experts, and understand your own financial goals and risk tolerance before investing in cryptocurrency.

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- Fiat currency – A government issued currency that is not backed by a physical commodity such as gold or silver ,but rather by the government that issued it.
  - Pseudonymous – writing or written under a false name.
  - Immutable – unchanging over time or unable to be changed.