

Non-Fungible Tokens (NFTs)

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- ✓ **Fungible tokens** or assets are replaceable, exchangeable and non-unique. To narrate you what i mean, currencies like rupees are fungible i.e. ₹2000 note has the same value as 4 notes of ₹500 has, meaning they are divisible, replaceable or we can say exchangeable in easy and other words.
- ✓ In common parlance, we can ask someone to exchange his/her ₹2000 note with our 4 notes of ₹500 or vice-versa and both will still have exactly the same value. A fungible token can also be a cryptocurrency like Bitcoin: 1 BTC is worth 1 BTC, no matter where it is issued.
- ✓ However, on the other hand, **Non-fungible tokens** are unique, irreplaceable & non-divisible. For Example, a house or a car, we can't ask someone to exchange his/her house with us and end up having the same value as before or we can't ask someone to exchange cars because these assets are one-of-a-kind.



How and why NFTs are useful??

Non-Fungible Tokens (NFTs) are useful because -:

- ✓ **Enable Digital Ownership:** NFTs allow for the ownership and transfer of digital assets, such as art, music, and videos, providing creators with new ways to monetize their work and giving collectors digital ownership.

- ✓ **Prove Ownership**: NFTs use blockchain technology to verify and establish ownership of unique digital or physical items, preventing fraud and ensuring authenticity.

Let us look at the some of the practical examples of NFTs -:

1. Beeple's "Everydays: The First 5000 Days"

- ✓ In March 2021, digital artist Beeple made headlines by selling a digital collage of his work, titled "Everydays: The First 5000 Days," as an NFT for a staggering \$69 million



2. Jack Dorsey's First Tweet

- ✓ Twitter CEO Jack Dorsey tokenized and sold his first-ever tweet as an NFT. The tweet, dated March 21, 2006, was auctioned on the platform Valuables, demonstrating how NFTs can transform even simple text into valuable digital assets.



Conclusion -:

- ✓ In nutshell, NFTs revolutionize ownership and trading of digital and physical assets and create new avenues for creators and collectors.
- ✓ The use of NFTs in preserving and promoting traditional art reflects a broader trend of blockchain technology for cultural preservation and global exposure. As the ecosystem matures, it will be exciting to see how artists and collectors continue to embrace and adapt to the possibilities offered by non-fungible tokens.

Thank You...

