

# THE BAF TIMES

ISSUE III

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VOL IV

## Teacher's Day

**A teacher is like a candle who spends whole life in giving light to students.**



## INTRODUCTION

# Foreword by the Principal

## Idea behind this Monthly Newsletter

**Dr. D.M.Doke**  
Principal

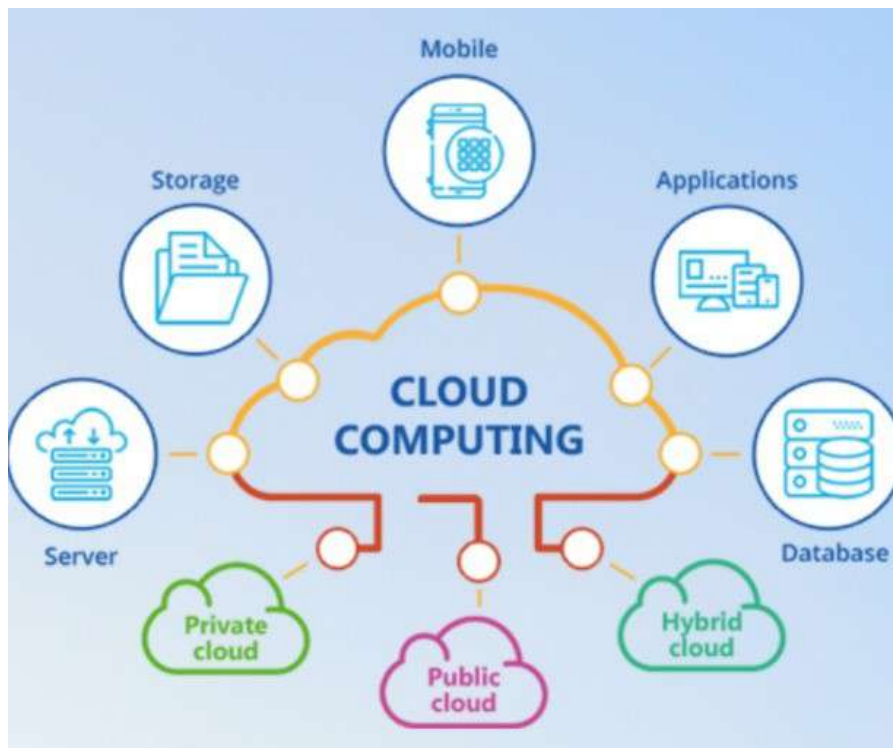


**Being a Commerce College, students are expected to know the changes in the business world. This newsletter will help the students get acquainted with a glimpse of what happened in the month gone by. It will also have insights into various business and commerce related updates which will help you gain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 Make it a point to read each and every article in this issue and stay updated so that you don't get outdated.**

# Emerging Trends in Accounting

## Focus – Cloud Computing and Big Data

By Durvesh Sawant & Sahil Thakur – SYBAF / C



### **WHAT IS CLOUD COMPUTING?**

Web-based accounting or online-based accounting refers to storing data on a remote server. It is popularly called cloud-based accounting.

### **HOW CLOUD COMPUTING IS USED IN ACCOUNTING?**

Cloud-based accounting allows the user to access the financial data and carry out transactions online and save it, doing all this in real-time. It allows fast access to data from anywhere. When accounting data and other applications are stored in the cloud, accountants can access them provided they have internet-connected devices.

### **HOW HAS CLOUD COMPUTING CHANGED ACCOUNTING?**

It allows accountants to spend less time on administrative tasks such as data entry, chasing up documents and spend more time on valuable revenue generation activities.

### **ROLE OF AI IN CLOUD BASED COMPUTING**

The popularity of Artificial Intelligence (AI) has finally coincided with the expansion of cloud computing. Using AI in the cloud can improve cloud performance and efficiency while driving digital transformation in enterprises.

### **TYPES OF CLOUD COMPUTING MODELS**

**Public Cloud:** A public cloud is a type of cloud computing that is provided publicly by a third-party vendor over the internet. In the public cloud computing model, the cloud service provider owns and manages all the resources, such as the hardware, software and other supporting infrastructure. E.g. Amazon Web Services, Microsoft Azure, Google Cloud Platform.

**Private Cloud:** Unlike the public cloud, the private cloud is a type of cloud computing in which only a single business or organisation uses all the resources. The cloud infrastructure can either be physically located on the premise of the organisation or be managed externally by a third-party vendor. E.g. Dell, Oracle cloud, IBM cloud.

**Hybrid Cloud:** The hybrid type of cloud computing incorporates the characteristics of both private and public clouds. It allows organisations to combine their in-house infrastructure with a public cloud, thus making it more scalable and making operation flexible. E.g. Netflix, Hulu, Uber and Airbnb.

### MERITS OF CLOUD ACCOUNTING

- **Cost**  
Since cloud accounting uses remote servers, the overhead costs in a business are greatly reduced.
- **Accessibility**  
With the cloud, you can log in from any compatible device with your secure credentials and access the data. This off-premise arrangement helps in many ways.
- **Data Security**  
In cloud accounting, financial data is stored on the internet, leading to cybersecurity and hacking concerns. However, these software platforms have robust security measures. Measures such as authentication, encryption, secure backups, and so on are employed by the servers to ensure data security.
- **Scalability**  
Cloud software is supportive of business growth and provides ample scalability for a booming organization. This is more so because it is not dependent on local servers or storage limitations.
- **Environmental Sustainability**  
Cloud accounting is paperless and remotely hosted. It does not use up any resources that are harmful to the environment. So, ethically this is the better option for your business.

### WHAT'S CREATING BIG DATA?



There is no doubt that the world is producing enormous amounts of data. But 'big data' isn't just about volume. After all, scientists and industries such as banking have been coping with very large amounts of data for many years. Big data is also about complexity and speed, and is often characterised by the '3 Vs' – large volumes of data, high-velocity data flows, and a wide variety of data, especially unstructured and semi-structured data such as text and images. The trend of big data is being propelled by three factors:

- growth in computing power;
- new sources of data; and
- infrastructure for knowledge creation.

## **COMPUTING POWER**

The core enabler of big data is the enormous growth in computing power and storage, which is making possible the capture and processing of entire data sets, regardless of their size and complexity. This is often described in terms of exponential growth in computing power.

## **DATA SOURCES**

Increases in computing power are making it economically viable to collect and process data from many new sources, such as the following:

- The internet provides a variety of clickstream data, such as searches, sites visited and goods viewed, as well as actual transactions.
- Social media has created new types of data, including status updates, comments and likes, photos, videos and networks of contacts.
- Mobile technology provides more opportunity to create social media and internet data, and generates new data about the location of individuals.
- Open data refers to the release of large amounts of primarily public sector data, such as geo-spatial data, transport data, government financial data and public service data.
- The internet of things involves embedding computer chips and sensors in physical assets, such as machines, buildings, domestic appliances and clothes, which then generate data.

## **INFRASTRUCTURE**

The digital infrastructure has enabled new types of collaboration and knowledge creation, as evidenced through trends such as crowdsourcing and open source software. This sharing of knowledge has brought together new communities and led to insights in data from unexpected places. Sometimes, insights have come from data specialists who know nothing of the topic but can spot patterns in data. Other times, insights have come from domain specialists who really understand the field and have used fairly basic data techniques to solve problems. But the flexible nature of the digital environment enables all kinds of new knowledge sharing and creation.

## **WHAT ARE THE OPPORTUNITIES AND RISKS?**

These trends enable businesses to use data in ways that were not previously possible or viable. We separate out three broad ways in which big data is being used to improve business decisions:

- to gain insights;
- to predict the future; and
- to automate non-routine decision-making.

## **HOW DO WE EXPLOIT BIG DATA?**

While there has been a lot of publicity around big data, it has been exploited mainly by big companies, often those at the leading edge of data and technology, such as internet companies or major retailers. Many other businesses, especially SMEs, are a long way from utilising big data. This section outlines some of the challenges and priorities in exploiting big data for three distinct groups:

- businesses
- accountants
- policymakers.



# 5G A Step towards better network and business

By Tanvi Desai – FYBAF / A



The department of the telecommunication of India announced in 2021 that the 5g spectrum will be made available in 13 cities of India by 2022. For this the government conducted the biggest ever spectrum auction between 26<sup>th</sup> July to 1<sup>st</sup> August, spanning over 7 days with 40 rounds.

## **WHAT DOES 5G SPECTRUM AUCTION MEAN?**

Spectrum bands include a range of frequencies divided into three bands (low, mid, and high). Each band has different capabilities: low band has greater coverage but somewhat lower speed, mid band offers a balance of both, and high band offers higher speed but smaller coverage radius.

5G achieves its greatest speeds by operating on higher frequencies, using what is called the millimeter-wave band. Since higher frequencies have a shorter range, 5G uses a mix of frequency bands to operate at scale.

Just like natural resources are divided for their fair use, this spectrum is also required to be auctioned by the government. The government auctions it to the companies that can use it to offer several services and recoup their investments.

## **WHO ARE THE PLAYERS RUNNING THE 5G RACE?**

The 5g spectrum auction includes four players Reliance Jio, Bharti Airtel, Vodafone Idea and Adani data who are going to bid for 72ghz of radio waves worth rs.4.3 lakh core on offer. The number of days of auctions depend on the actual demand for spectrum and the individual business strategy.

## **HOW MUCH IS THE INDIVIDUAL BID?**

The Ambani's Reliance Jio infocomm Ltd. has deposited the highest EDM (Earnest Money Deposit) of Rs. 14,000 crores. The surprise entrant Adani Data Network has deposited the minimum amount of Rs.100 crore. The remaining two participants, VI and Bharti Airtel has deposited 2,200 crore and 5,500 crores

respectively. The EDM needs to be paid ahead of the auction so that the participant becomes eligible for the process. The higher the amount submitted higher will be the chance of a bidder buying the radio waves. From this we can see that the nation's largest telecom company Jio is bidding very aggressively in the initial period while Adani's minimum EDM amount indicates that his interest is limited to only setting up the private network.

#### ***WHO SPENT THE MOST?***

After 40 rounds over seven straight days, market leader Jio emerged has the largest bidder acquiring 24,740 MHz of 5G airwaves, which can offer internet speed 10 times faster than the 4G – worth Rs.88,078 crore. Bharti Airtel, the country's second largest telco, bought 19,867 MHz band worth Rs 43,084 crore while VI being short of money spent Rs 18,799 crore to buy 6,228 MHz band. The new entrant Adani Data Network made a modest purchase of Rs 212 crore for 400 MHz, purely for its private need.

#### ***WHO IS BENEFITED THE MOST?***

First let's talk about the advantages to the common man, the main advantage of 5G is greater speed in the transmission, it will enable a speedy access to the file, programs without letting us to wait. The digitalization of the world and emergence of 5G network will give benefits to the socio-economic sectors such as agriculture, education, healthcare, business etc. Now let's talk about the benefits of the bidders, since Jio bought most of the 5G spectrum airwaves they are likely to get benefited the most out of the four bidders. It will not only help Reliance to capture the major share of the telecom market but also of very sector they are working in. Bharti Airtel on the other hand said, it had followed a strategy of buying the best spectrum at substantially low cost as compared to the competition. The country's second largest telco Airtel is as usual trying to focus on the needs and demands of the consumer, they can deliver 100 times capacities effectively at half of the price. VI has bought 5G airwaves at a minimum rate so they can cope up with existing challenges whereas Adani participated in auction to create the group's own private network which has made the other telcos worried because some analyst said that Adani would enter the consumer telecom space which can be his long- term strategy. And at last, the government will fetch the highest amount ever of 1.5 trillion after the auction. This will overall provide benefit to the whole country in terms of technology.

#### ***HOW MUCH WILL 5G COST TO US?***

The analyst asserts that the prices of 5G will not be lower than the 4G, it may be similar to the 4G prices in the starting to attract more subscribers. However, the prices may rise further once the network is fully established. It is interesting to note that some analyst predicts that the price hike in future may not lead to the loss of customers by the company since upgraded network is what matters more to the people. Now the auctions are over the much-awaited 5G services may be launch first by Jio on 15<sup>th</sup> August as Akash Ambani the chairman of Reliance Jio Infocomm said that they will celebrate 'Azadi Ka Amrit Mahotsav' with a pan-India 5G rollout.

# The Men Who Built India : Part III

By Yash Suvarna – TYBAF / C

*SOWING THE SEEDS FOR THE EMERGENCE OF TATA EMPIRE.....*



In the previous issue we saw that despite of the ups and downs in his life, how Jamsetjee Jejeebhoy became one of the richest Parsi and a great philanthropist. In this issue, let us continue with the next chapter- Sowing the seeds for the emergence of Tata empire.....

Jamshedji Tata stepped into business in 1859. Initially, he and his family failed in the cotton business because they couldn't balance the risk. But Jamshedji Tata learnt from his failures and became the most successful cotton businessman.

In 1858, Jamshedji Tata passed out from Mumbai's Elphinstone College and wanted to enter a profession. But his father Nusserwanji Tata wanted his help in the business. So he involved Jamshedji in his business. Nusserwanji's main business was Opium and Cotton trading. In 1861, the Civil war started in America. The majority of cotton in England would come from America. But due to the Civil War, the supply stopped. This increased the cotton prices. Some Indian traders saw this as an opportunity and grabbed it. One of them was Nusserwanji Tata.

He started to export a large amount of cotton to England. A ship filled with cotton was sent to England. Along with it, he sent Jamshedji Tata as well. Jamshedji Tata had some bills and their prices were dependent on cotton prices. If cotton prices increased, so would the bill price and if the cotton prices decreased, the bill price would too. But by the time he reached England, everything had changed. America's Civil war had stabilized and the cotton export to England resumed. Due to this availability of cotton, cotton prices decreased rapidly in the international market. By the time Jamshedji Tata's ship reached England, the price had reduced by more than half. This trade caused him a big loss. The bills he had with him valued almost nothing. He took loans from banks and people, to start the trading business but in this condition, Jamshedji Tata didn't have money to survive in England.

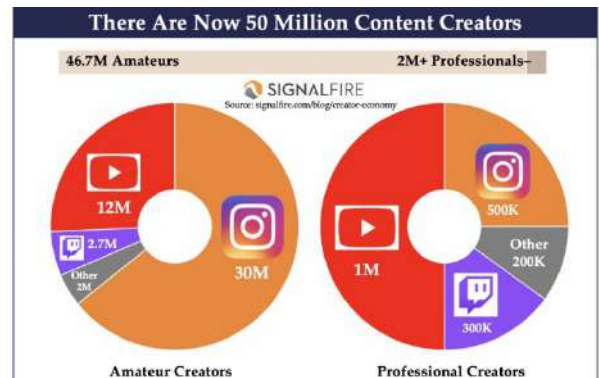


But Jamshedji Tata didn't run away. He went to his creditors and banks and presented his situation to them. The banks and people were impressed by his truthfulness and let him stay with them and Jamshedji Tata found enough money to survive. He observed the cotton businesses there and learnt a lesson. The real wealth was not in cotton trading but was in manufacturing it. He always thought that India manufactures cotton and sends it to England. Where cotton is used to make textiles and those textiles are sold back in India. If India wants to be independent, then India must have its own textile mills. To repay his debt in India, Nusserwanji Tata had to sell his properties and his house. After this setback, Nusserwanji Tata's business was at zero.

In 1867, the Britishers and Abyssinia, today's Ethiopia, had a conflict. The British sent the Indian Army and the army required food and shelter. For this, the Britishers needed some merchants to help them out. Nusserwanji Tata grabbed this opportunity. This conflict led to losses for the British. But merchants like Nusserwanji made a lot of profit. Nusserwanji Tata restored his wealth. After some time, Jamshedji Tata returned to India and Nusserwanji Tata retired.

# How Does The Social Media Platforms Make Money?

By Riya Nar – TYBAF / C



Have you ever wondered how Social Media works? How they make money? How many Social Media Platforms are there? How many people use Social Media? Which Social Media Platform has the maximum number of users and makes the most money? Which Social Media is most used in India?

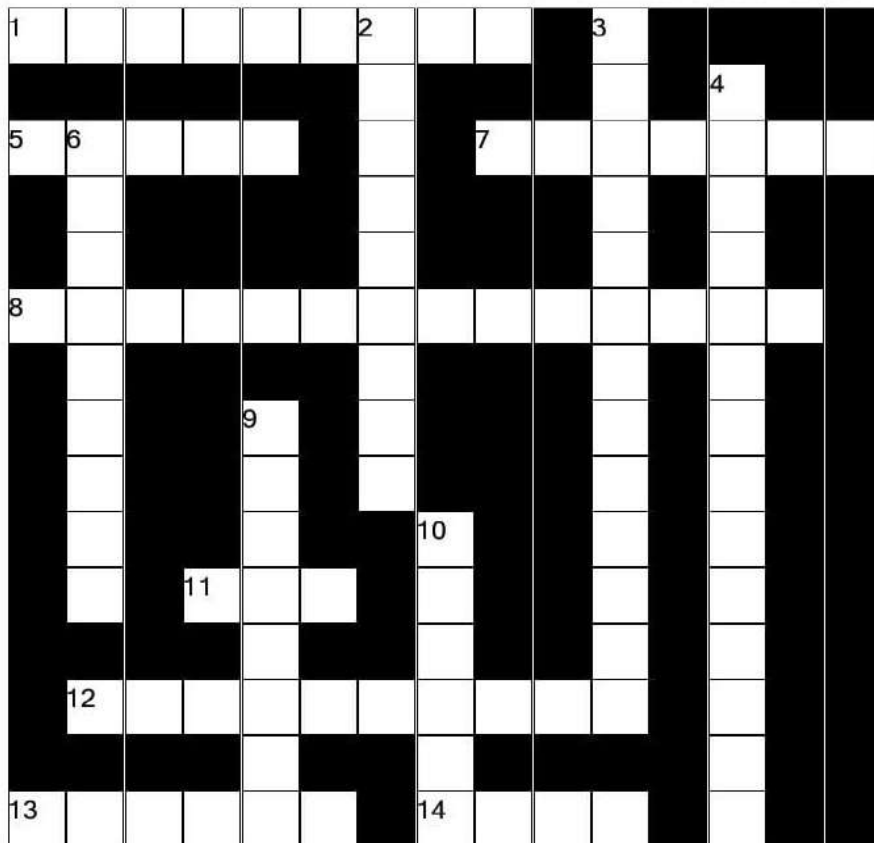
Social media is an internet based form of communication. Social media platforms allow users to have conversations, share information and create web content. There are many forms of social media including blogs, micro-blogs, wikis, social networking sites, photo-sharing sites, instant messaging, video-sharing sites, podcasts, and more.

The primary way of social media companies like Meta (Facebook) and Twitter makes money through selling advertising. Let's understand this more by taking example of Twitter Revenue Model. So, Twitter Revenue Breakup is divided into two parts i.e. 85% advertising sales and 15% data licensing. Twitter runs three types of ads i.e. promoted ads, followed ads, trend takeovers. Promoted ads are regular tweets that advertisers purchased to get their product reach to larger audience. And this cost between \$0.50-\$2 for per tweet. Followed ads suggest new twitter accounts to follow popular accounts like Goggle, YouTube, etc. according to their interest and cost between \$2-\$4 per new follower. Trend takeovers means a top tweets on trend page and thus costs upto \$200,000 per day. Data licensing generates approx.15% of twitter revenue that accounted for \$760 Million in 2021. Twitter sells data insights on trend, user demographics as user data important in Consumer-Centric World. Companies use this data to analyse consumer trends.

The number of social media users in India stood at 467 million in 2022 and were expected to be almost 1.5 billion by 2027. Facebook remained the popular choice among the social media platforms with the users nearly 2.9 billion across the world. It also has largest revenue i.e. \$85.96 billion. But in India the most used social media app is Whatsapp at 487 million users. YouTube followed during the same time, with Facebook ranking third.

# CROSSWORD OF THE MONTH

By Riya Nar – TYBAF (C)  
CA Vidhi Manek



ACROSS	DOWN
1. It is the management of supply and transportation to deliver the goods on time and in good shape.	2. It is the percentage change in the value of the Wholesale Price Index (WIP) on a year-on-year basis.
5. It is an exchange, voluntary in nature between two parties in requirement of each other's resources i.e. goods and services.	3. The transfer of ownership, property or business from the government to the private sector is termed as
7. It refers to the comprehensive benefits obtained from consuming an item or service.	4. It is the study of individuals, households and firms behaviour in decision making and allocation of resources.
8. It is the process through which a nation's economic unit of exchange loses its legally enforceable validity.	6. It is a slowdown or a massive contraction in economic activities.
11. Is one part of the equally divided monthly outgoes to clear off an outstanding loan within a stipulated time frame?	9. The exchange of goods and services in on large scale.
12. It happens when one abuses power entrusted to them for personal gain.	10. Before the hard currency came into existence, which was the most common form of the trade?
13. The capital of a company is divided into?	
14. Which rate is the rate at which the central bank of a country lends money to commercial banks in the event of any shortfall of funds?	

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## **BAF TIMES TEAM**

Durvesh Sawant & Sahil Thakur – SYBAF (C), Riya Nar – TYBAF (C)

If you wish to contribute your articles to be featured in the next issue, please mail your articles on [vidhim@mldc.edu.in](mailto:vidhim@mldc.edu.in) by 10th of every month.

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

CA Vidhi Manek, Asst. Prof – B.Com.(A&F)

### ***CROSSWORD SOLUTION***

1.LOGISTICS 2.INFLATION 3.PRIVATIZATION 4.MICROECONOMICS 5.TRADE 6.RECESSION 7.UTILITY  
8.DEMONETIZATION 9.COMMERCE 10.BARTER 11.EMI 12.CORRUPTION 13.SHARES 14.REPO.

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