



## Connect with the power of digitisation

Dear Friends,

This is the third edition of ISODA Interconnect, with the new member committee on board, and it gives me immense pleasure to see the growing response for this initiative through the feedback received from our members. I take this opportunity to thank all of you for your cooperation in making this happen.

I once again urge you to continue your contribution to InterConnect. With the power of digitisation, I am sure we can build a strong source of information for the generations of ISODAIans to come. If you wish to have your business or case study featured in InterConnect, please do get in touch with the media team for further details. You will have the added advantage of having a strong case study written for your organisation in addition to being featured



**Vipul Datta**  
Chairman, ISODA

on ISODA InterConnect.

I am glad that many of you are bringing your friends into ISODA. This is adding to our strength as we could make a larger representation and having a large member community, with varied expertise, makes ISODA technologically stronger. In case you wish to add a new member, please do send us an email so that we can proactively welcome them aboard.

This issue of ISODA InterConnect comes with some interesting perspectives on considering Ethical Hacking as the next new business opportunity along with some insights on the strategies that our members follow to make their organisation one of the best places to work. We also have a special feature on the GST Bill to highlight its impact on the IT services sector.

Do read on for some more interesting news and events that are happening in our member community. ■

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LDS Infotech Pvt. Ltd. bags two awards in the recently concluded Microsoft partner Summit in Goa.



Magnamious Systems Pvt. Ltd. bags the SME 'Partner of the Year' Award from Sophos.

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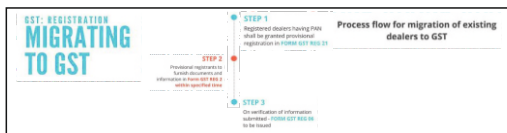


**Microtech Software Pvt. Ltd.**  
Applying Innovative Intellect



Read about the employee retention strategies followed by Microtech Software Pvt. Ltd. and Priyam Infosystems.

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The impact of Goods and Services Tax on the IT Services industry.

## LDS Infotech Pvt Ltd bags two awards in the recently concluded Microsoft partner Summit in Goa.

- National Value Selling Partner of the year Award - SMB
- National Education Partner of the year award at the annual Microsoft Partner Summit (MPS) that was held at the Park Hyatt Hotel, Goa.

The award was based on the company's top line, Value addition to the products, business skills, Implementation skills, certifications and USP. LDS ran a developer's campaign and offered internship opportunities for students not just on sales but also on the technology front. LDS demonstrated an all-

round excellence in the services offered to the customers, starting from presales, post sales to Implementation Services.

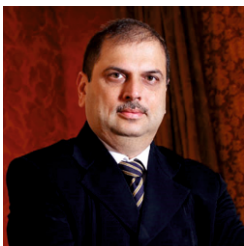
They have bagged many other awards in the recent past including the Channel 100 and Premier 100 awards, Autodesk Bronze Maximum billing Partner of the year, Kaspersky – Best New business Partner West award and the Adobe – Education Partner of the year award. ■



"Our revenue growth in the previous year is about 12%. With 17 plus years of partnership with Microsoft and with a dedicated team of sales, pre-sales and post sales implementation Specialists we were able to achieve these results. Our focus has been on Microsoft cloud in general, migration of existing on premise customers to Cloud in particular. With a strong customer base we are now focussing and transforming ourselves to an IT Services and Solutions company."

**MR. AMARNATH SHETTY,**  
MD, LDS Infotech Pvt Ltd.

## Magnamious Systems Pvt. Ltd. bags the SME 'Partner of the Year' Award from Sophos.



"We were delighted to receive the Sophos award since awards like these recognize Excellence in Business."

**MR. JITEN MEHTA,**  
Director, Magnamious Systems.

Magnamious Systems Pvt. Ltd. won the SME 'Partner of the Year' Award from Sophos, on 14th Oct in Mumbai. "We were delighted to receive the Sophos award since awards like these recognize Excellence in Business" said Mr. Jiten Mehta, Director, Magnamious Systems. Magnamious Systems Pvt. Ltd. was established in 1995 and now has its Head Office at Mumbai & branch offices at Goa and Pune. They offer customized solutions for Virtualization, Mobility, Storage,

Networking, & Facility Management to the manufacturing, finance, healthcare & construction sectors. As a reliable IT integrator & focused IT Solution provider, Magnamious Systems has built a highly motivated team that works towards result-based customized solutions. It is also notable that Magnamious Systems Pvt. Ltd is a Premium 100 Awardee, & the receiver of the Channel World Awards' Special Award for Mobility. ■

## Ethical Hacking - A new business opportunity

When asked about the scope for Information security consultants in India, Mr. Heramb Thuse shared his valuable opinion.

Today, Information Technology has grown beyond the boundaries of one's office. With data growing at a tremendous pace, the security dynamics are also rapidly changing. **Traditional methods of information protection like anti-virus software or firewalls are no longer enough to protect a company's data.**

As a Presales Head and as an ISO 27001 (Information Security) auditor, I make sure that my clients and prospective clients are well informed on various aspects of information security. I educate them on the integrity, confidentiality and availability of their data and advise them on various security features of our solutions. I strongly feel that there is a huge scope for Security Consultants in India, as security is no longer limited to the IT personnel. We can hire consultants for services like



**“As consultants we must educate our clients on the integrity, confidentiality and availability of their data and advise them on the various security features of our solutions”**

**MR. HERAMB THUSE**  
Head Presales-Solutions, Crayon Software Experts India Private Ltd.

Penetration and Vulnerability Testing, Process Auditing, IT infrastructure Auditing, Application Access Auditing, Firewall auditing etc. Since we cannot define security in terms of numbers or ROI, I feel us as consultants, can educate companies on the importance of hiring security consultants and thereby help them to plan diligently plan their investments on information security. I see a lot of potential for external security consultants in the field of Manufacturing, Retail, Health Care, Construction, Project Management etc., as

these companies are not well organised when it comes to Information Security. The Government must also put forth certain regulations on companies to reinforce the importance of information security. Disclaimer: Although Crayon is not officially into the business of information security, Mr. Rajendra Chitale, CFO, Crayon Software Experts India Private Limited requested Mr. Heramb Thuse to share his experience, as a certified ISO 9001 Lead Auditor and ISO 27001 Information Security Auditor. ■

## ISODA shares some of its findings.

Ethical hacking is the process of trying to break into a company's security system and expose the loop holes, with their permission. Ethical hackers use a series of tests such as Penetration Testing, Vulnerability Testing etc. to understand the integrity and confidentiality of the company's data. They also test for the accessibility and availability of the information.

**With the growing number of threats on their systems, it is becoming increasingly difficult for companies to protect their data from the external threats.** This has created a huge demand for professionals who can help them to secure their operations and offer them a third person view of their security systems.

In a recent survey conducted by the Department of Business Innovation and Skills, UK, some interesting facts were observed:

- The number of security breaches have decreased but the scale and cost of the effects have nearly doubled. Almost 10% of the respondents reported that they have changed the nature of their operations due to



these attacks.

- The investments in security increased considerably.
- Small businesses were noticed to spend more on security.
- Confidence about the availability of security resources has increased.
- Almost 70% of the organisations have refused to disclose details about their worst security attacks.
- Investing on security has seen a considerable rise in recent times. More and more companies are choosing to outsource specific needs, such as payroll processing, payments processing, corporate website management, sales and marketing, data storage, customer transaction processing etc., to smaller companies. The small players are not just

hackers anymore. They are now offering a plethora of services such as information security audits, security testing, patches and bug fixes for security loopholes etc. and are emerging as strong alternatives to in-house ethical hackers.

References:

1. <http://www.forbes.com/sites/freddiedawson/2015/02/27/could-your-next-start-up-be-in-ethical-hacking/#5399d751d46b>
2. <https://www.pwc.co.uk/assets/pdf/cyber-security-2014-technical-report.pdf>
3. <http://www.dummies.com/programming/net-working/things-to-consider-when-seeking-an-ethical-hacking-vendor/>
4. <http://gofconsulting.com/outsource-online-software-security-testing/> ■

## Smart business practices : Best places to work for

Mr. Ajay Khurana of Microtech Software Pvt. Ltd. and Mr. Dhiraj Vijayvargia of Priyam Infosystems Pvt. Ltd. shared some of their best practices that make their companies some of the best places to work for.

### Microtech Software Pvt. Ltd.

"Creating trust by exceeding expectations."

Microtech Software Pvt Ltd provides IT services on various platforms with uncompromised security against all types of threats. Our solutions are simple and user friendly and allow our customers to enhance their productivity. We have strategic alliances and product marketing partnerships with some of the global IT majors in the IT solutions, hardware and security segments.

MSPL is one of the best places to work as it provides a perfect environment for our associates for their professional and intellectual growth. There are twenty three employees for MSPL, who are spread across the states of West Bengal, Orissa, Bihar, Jharkhand and the North Eastern India. We maintain a health mix of talent, qualification and expertise in our workforce and give utmost importance to academic qualifications, professional experience, industry exposure, transparency and family background at the time of hiring. We strongly feel that these qualifications and qualities will add value to the overall culture of our organisation.



**Microtech Software Pvt. Ltd.**

*Applying Innovative Intellect*

"MSPL makes constant efforts to make the company's mission, vision, goals and values very clear to our associates. This makes them feel connected to the workplace and its culture and also motivates them to continue their association with the organisation"

**MR. AJAY KHURANA**

Microtech Software Pvt. Ltd.

The company offers best in the industry compensation package to invite associates with new ideas and skills, along with the standard facilities like EPF, Life Insurance and incentives. Regular performance appraisals are conducted for our associates to recognise and reward their contribution. We regularly communicate our standards on integrity and ethical behaviour and also conduct regular brain storming sessions for our technical and non-technical that are useful for their skill enhancement.

We feel that our associates share a wonderful camaraderie with each other and always work together as if they are a family. The managers share their marketing ideas, technical evaluations, payment collections and order execution throughout the sales life cycle. The heads of various departments manage their teams effectively through coordination and sharing of work related responsibilities. As a team, we listen, share, appraise and review all individual ideas and collectively take a decision that is line with the goals and objectives of MSPL. Over the years these practices have helped us to make MSPL one of the best places to work for.

**Life at MSPL is not just about work, we organise regular picnics and short trips for our associates and their families. We see to it that our work culture is diverse, creative and fun.**

### Key Takeaways

- The work culture should resonate a sense of camaraderie and the associates must feel that they belong to one family.
- Regular interactions to make the vision, mission, goals and objectives of the company clear to the associates.
- Maintain a healthy mix of work and fun at the workplace to bring out the creative best of our associates. ■

### Priyam Infosystems Pvt.Ltd.

"We strive hard to maintain an open and inclusive work culture."

Priyam Infosystems provides business & software solutions to over 12,000 customers, since 18 years with expertise in developing custom solutions on Tally. Some of our clientele includes Dr. Agarwal Eye Hospital, Entertainment Paradise (EP), Eros Jewellery International Pvt Ltd, Gadia Sales, G D Goenka Public School, Global Institute of Technology (GIT), Desert Inn, Hindustan Coca-Cola. As tally certified 5 star partners, we provide accounting solutions to SME sector. We are also partners with Tata Consultancy Services for their TCS ION Education ERP Solution, which is an ERP solution that help educational institutions to efficiently manage their campuses.

Our company is based out of Jaipur with over 30 committed & dedicated employees, out of which around 10 employees are associated for more than 5 years. At the time of hiring, giving utmost importance to individual's personality traits than his qualifications., helps us understand them and we then offer challenges as per their personality. We look for traits such as honesty, integrity and the zeal to learn. To put this in simple terms we hire individuals and make them winners!!



"At Priyam, we strive hard to maintain an open and inclusive work culture"

**MR. DHIRAJ VIJAYVARGIA**

Priyam Infosystems Pvt. Ltd.

At Priyam, we strive hard to maintain an open and inclusive work culture. We train them to be aligned with the vision and mission of the organisation. frequent one on one sessions are conducted to make the goals and objectives of the company clear to all the team members. We do not drive our associates with targets or create any sort of unhealthy competition among individuals or departments. Instead, we make the tasks clear and encourage our associates to take up complete ownership for their tasks.

**It is not always work at Priyam We conduct day outs, picnics, workshops by industry experts on topics such as time management, goal setting, leadership etc.** We also plan to conduct family events to promote a sense of togetherness among our associates and request our clients to visit us and arrange meetings with our team.

Being a small organisation, we expect our associates to take up multiple responsibilities and offer a good scope to learn and grow both professionally and personally. The top management is highly approachable and the associates have complete freedom to walk across the table and express their ideas and views. We encourage team to act as consultants and not merely salesmen. Our culture resonates the fact that customer first and money later. There are a few associates who are totally aligned with the ideology of the organisation and I definitely want to see them as directors of Priyam one day!!

### Key Takeaways

- Companies must maintain an open and inclusive work culture.
- The goals and objectives of the organisation must be conveyed to the associates to develop a sense of belongingness.
- Associates must have complete freedom to approach the management. ■

## The impact of Goods and Services Tax on the IT Services industry

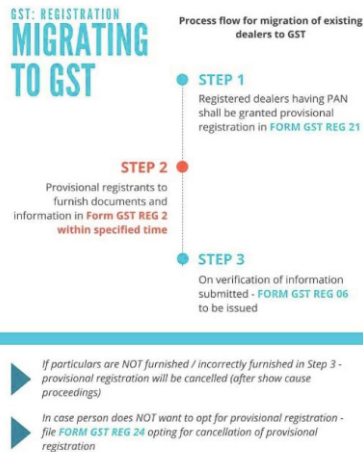
Mr. Tushar Parekh, our Vice Chairman, ISODA has been forthcoming in sharing some insights as an outcome of interaction between him and Mr. Chintan Shah, his CA, regarding the impact of GST bill in IT Industry in India. Mr. Shah has proactively contributed a very informative article on the same.

### Preface

The Goods and Services Tax bill introduced on August 8th, 2016 is considered to be a significant step in the process of reforming the method indirect taxation in India. The main idea of this bill is to simplify the present system of cascading and double taxation in order to achieve easier administration. The bill is highly regarded as a move towards the Government's objective of One Nation, One Tax. In this context, let us examine some of the key aspects of the Bill and their impact of the IT services industry in particular.

### Key Aspects of the Bill and their impact

- Better operational efficiency due to improvement in supply chains
- Prices of goods to decline and cost of services to increase
- Narrows the differentials between unorganised and organised players
- Transparency in the system due to the reduction in the cascading effect of taxes



Central GST (CGST), State GST (SGST) or the Integrated GST (IGST). There might be multiple taxation points, which will lead to an increase in costs. For the hardware industry, the movement will become smooth. As of now, the duty on manufactured goods ranges from 14-15%, the GST is expected to reduce this further.

### Points to ponder

- The GST could undermine the competitiveness of the IT industry. As per the warnings given by the software and services lobby group, this bill might be a bone of contention in many disputes and litigations
- Complex billing and invoicing requirements due to the supply and valuation provisions of the GST bill could complicate taxation for IT companies and make life difficult for the services sector in general, and the IT industry in particular
- The model GST law would see as many as 111 points of taxation and companies who

provide services across India will have to register in as many as 37 jurisdictions—29 states, seven union territories, and the Centre.

- The 'place of supply' provision of GST might require multiple invoicing in case the services are delivered from different offices/centres of the same entity
- While GST brings clarity on taxation of electronic downloads and subsumes multiple levies, valuation of services provision can potentially lead to disputes and litigations
- E-commerce marketplaces stand to lose significantly because of the taxation requirements
- The provision mandating 'tax collection at source' transactions on a third-party e-commerce marketplace is "discriminatory" and can potentially render such e-commerce marketplaces unviable. The proposed GST Bill is likely to negate the beneficial impact of e-commerce on hundreds and thousands of small businesses in the country by compelling them to seek refunds and thereby compounding their working capital problems.

### Conclusion

With the limited information available now, it is clearly evident that the GST is going to have a marginal negative impact on the IT services industry. However the government has to provide more clarity on related to Registrations, Refunds and Point of Sales etc. Companies must be prepared to re-model their business and its constituents. We still have to wait for the declaration of rates and claims on Input Credits in order to decide on the Pricing Strategies of the forward. ■



**MR. TUSHAR PAREKH**  
Vice Chairman, ISODA

### Impact on the IT services Industry

It is observed that the GST will have a marginally negative impact on the IT services industry. Today, the IT companies only have a single point of taxation which is the central service tax. However, under the new GST regime, we need more clarity on the slab that would be applicable to the IT Companies. We are not sure if the companies come under the

\*Introducing one more platform on interCONNECT, for the benefit of the readers, here YOU - ISODA's very own members shall come forth to share their experience and knowledge to decrease the learning curve.