

interConnect

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COLLABORATE

● teamwork ● success ● inspiration





Dnyanesh Kulkarni
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Dear Fellow ISODA Colleagues

There was a lot of action this month when we surveyed each one of you on when and where we should do the TechSummit XI. As expected, majority are for doing a face to face event. And a large number have voted to do it in a destination in India. So the team of Vice Chairman and Vice President are at it to firm up the dates, the venue, the cost factors and the overall operational plan. If we have to execute a face to face event, it will be very well-thought of and we need to take all necessary precautions.

Collaboration is the key for an association like ISODA. And that is the value that members see and that's the reason why, we have members joining us regularly. A few of the partners have come forward to share their experiences of collaborating with other ISODA members. This gives us all an idea as entrepreneurs: if we haven't quite understood the businesses of ISODA members, it is time to reach out to your respective Regional Secretaries to enable collaborations and introductions.

And to enable a ready micro-site for all members to check details of skills and technology specializations of other ISODA partners, our website team has started working on a permanent backend-security-led microsite to populate all partner related information for us to have a ready reckoner.

We hope you enjoy this edition like you always do. Support us by sending in more articles proactively. Stay safe.

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Collaboration, and what it means for ISODA partners.

This InterConnect, our theme is Collaboration. There is so much business happening amongst ISODA members. Yet, people are not aware of the growth that the collaborators have experienced, the effectiveness of working together and more than anything else, the value-addition to one's portfolio because of partnering.

This is the experience of a few collaborations that have worked in because of ISODA.

Munesh Jadoun
ZNet Technologies



**ISODA members - ZNet Technologies and
Aadhar Infonet join hands to ensure their
customer's cybersecurity and future success.**

"Effectively, change is almost impossible without industry-wide collaboration, cooperation, and consensus."

– Simon Mainwaring

Partnerships thrive when partners do better stuff together than when they do it separately. In today's world, where the digital transformation and new technologies have transformed all industries, not all service providers are capable of satisfying customer requirements on all fronts, all by themselves. Thus, this is an age where community involvement and partnerships where partners hold each other's hands and push each other for betterment are being recognized as indispensable.

One such association is **ISODA – Infotech Software Dealers Association** that was formed in 2008 by enthusiastic entrepreneurs to bridge the gap between Software Manufacturers and Distributors and Partners. ISODA unites them and helps them to forge a new trade alliance and form an invaluable network in the industry.

"Find a group of people who challenge and inspire you, spend a lot of time with them, and it will change your life." – Amy Poehler

This quote by Amy is quite true in our case. ISODA associations clearly forge a path for cooperative development and accentuate the potential of growth for associated members.

This is a short story of how two ISODA members - **ZNet and Aadhar Infonet** partnered and helped each other to empower a customer to be secure and in turn, ensured a future of success and growth for his organization.

contd..

The new world is rife with never-before-seen or heard of cyberthreats. Although, organizations are taking proactive measures to increase their cyber safety in 2021, but there are still many advanced threats looming large that are beyond their control. One such customer of Aadhar Infonet was experiencing issues with cybersafety. We will not be disclosing too many details of the customer here, for the sake of his privacy. He wanted to protect his organization, devices, identity, online privacy and more.

Aadhar Infonet, as all the members of ISODA are aware of, is one of the leading IT organizations in India, founded by Mr. Lalit Choudhary, who is Rajasthan Secretary for ISODA. **ZNet Technologies Private Limited**, another ISODA member, has been founded by Mr. Munesh Jadoun.

Aadhar Infonet partnered with **ZNet Technologies** to offer one of the leading cybersecurity solutions – Acronis to the customer.

Acronis Cyber Backup ensured unified data protection and backup for all the valuable assets of the customer. He wanted zero downtime, faster backup with no impact on his production systems.

- This solution helped him save up to 40% costs over traditional backup solution he was using.
- This solution has offered him protection against unforeseen ransomware as it is powered by Artificial Intelligence (AI) and machine learning (ML) technologies.
- All his data and infrastructure are now secure – on cloud and on-premises.

This dealing has strengthened the bond between ZNet and Aadhar teams and they are both working together aggressively to associate on more such solutions in the future and win other deals together.

About ZNet technologies Private Limited

Incorporated in 2009, ZNet Technologies is the leading distributor of cloud services, IT infrastructure services, and cybersecurity services to partners across the globe.

The business units of ZNet include ZNetLive, RackNap, Wire19 and DHN (Daily Host News).

- ZNetLive is the distributor of cloud, IT infrastructure and cybersecurity services via its wide channel partner network.
- RackNap, the cloud service delivery and business automation platform, helps cloud providers in automating the delivery of cloud services and helps bill the usage based on actual consumption.
- Wire19 and DHN are the IT media portals serving as one stop information shop for CXOs and key decision makers of the cloud and IT industry.

ZNet is owned by RP tech India (a division of Rashi Peripherals Pvt Ltd.).

Founded in 1989, RP tech India is the fastest-growing value-added distributor of IT and mobility solutions with 50 branches and 50 service centers across India. Growing at a consistent 25% CAGR YoY, the company offers products from over 23 renowned global brands to 9000+ partners spread across 750+ towns/cities in India.

For more information, please visit www.znetcorp.com

About Aadhar Infonet

Established in 2008, Aadhar Infonet has been providing IT infrastructure and solutions on various platforms to the customers. It has been patronized by the corporate world since its inception. They have a highly professional team that provides unlimited customized solutions and IT Infra products at one place. They are also into multi domain software solutions and cloud computing solutions.

For more information, please visit <https://www.aadharinfonet.com/>



Devesh Aggarwal
Compusoft Advisors

"Partnership - Opportunities Increase When Partners with Complementary Technology Offering Join Hands."

The alliance is formed to combine the resources of two companies Compusoft Advisors headed by Devesh Aggarwal (Microsoft Partner with Competencies in Dynamics ERP & CRM) and Dynamics IT Group, Chennai headed by Hiren Shah (Microsoft Partner with Competencies in Software Licenses & Infrastructure & Cloud Solution).

Both Compusoft & Dynamics IT have huge customer base in their respective geographies for their solutions over a period of more than 20 years. ISODA provided a platform to collaborate & work closely in technologies that complemented their current offerings and in geographies where they were not present.

Compusoft has expertise in Microsoft Dynamics 365 ERP & CRM solutions in various industry verticals and Dynamics group has expertise in various software licensing and cloud based solutions across geographies.

One of the existing customers of Dynamics IT based in Bangalore was looking for enterprise business solutions for its operations in India & other geographies across the globe. Dynamics IT connected Compusoft team and got them involved in the pre-sales process which started in May 2020. The process involved various round of technical & functional demos and discussions which continued till December 2020. Finally, Compusoft & Dynamics IT could jointly win the deal after beating the competition from other ERP Providers like SAP & SAGE. The win ensures that the client company would adopt Microsoft Dynamics solution for all the offices worldwide and have users spread across 25+ countries. The client company has over 4000 users worldwide out of which more than 500 users would be using the solution.

This alliance illustrates as an example for ISODA members across different technology competencies that growth happens by complementing each other. Partners having complementing products or industry wise service offerings with geography advantages can always work cohesively to win over the customer. This not only opens opportunities for cross selling in our existing customer based but also to acquire new customer in various geographies, where we were not present.



Ashok Shiroom
Mikroz AS Solutions

I would like to mention on a tangent; rather than looking just at business collaboration (which we are anyway doing), Tushar Bhai of Silicon Netsecure is assisting us with our own internal business processes, etc., to the best of his understanding and abilities. He is taking time with our team members, to take their status (other than, of course, mine!), with tasks set out to get where we want to, to ensure WE succeed! Not only he, even his team-mate has been asked to assist, whenever requested/called upon to do so (of course, she has been doing so in the past too). WHAT a guy?! Exemplary collaboration instance, imho!!! Praying for more such kind and positive souls in ISODA. Along the same lines, I look forward to my own contributions to the group with my abilities.

I have been an ISODA member for just over 1 year. We are actively working on various cloud applications such as remote employee Monitoring tools; Data security and encryption tools; School Management software and Video conferencing solutions . It was a great experience collaborating with ISODA members during FY 2020-2021. Though not significant business transaction have taken place but we are actively progressing on some of the deals with these ISODA members :-

1. Mr. Ravi Shekhar , Phoenix Softnet Technologies P Ltd, Mumbai - Samsung Mobility Solutions : Specific customer requirement was captured and in progress
2. Mr. Alok Gupta, Softmart Solutions. New Delhi- Large video meeting /webinar solutions : Series of End customer Demo/POC done jointly ; cases in active progress
3. Mr. Biren S : Acma Computers Mumbai : School Management SAAs software; Aligned with OEM case in active progress

Other than above specific cases, we have actively organized various webinars with active participation of many ISODA members , have responded to various product specific enquiries to ISODA members and have also received responses to our product/solution queries from fellow ISODA members. We are thankful to ISODA for providing such an interactive and professional platform for business collaboration.



Kailash Gupta
ETSC Computers Pvt. Ltd.



Vimesh Avlani
Graftronics

I have been collaborating with Punit of Shivaami more than 7 years for google workspace and he is taking care of more than 5000 email ids of my various customers. Also, I am collaborating with Sameer Jhaveri for hosting and managing around 25 to 30 different flavours of servers for my clients and business over 75 lacs per year. We also collaborate regularly for Comprompt Manish Sanghrajka for all type of web solutions for my customers. At Isoda collaboration is purely on trust which enables to get more products in basket and at the same time zero investments to manage them. 30% of our business is in collaboration with ISODA partners since years and till date it has multiplied without any obstacles.

I have been with the ISODA family since its inception and had the privilege of having business connections with quite a few even prior to us forming the association. Post the formation of the association the members grew quite significantly and during our frequent meetings we would exchange talks on the business we are in to. There were very few members in the CAD space initially which resulted in us being the leading suppliers of CAD software and solutions . We not only supported the members with the software sale but also assisted them technically. The basic premise being trust, we formed a wonderful alliance . We would also approach other members for software and solutions in their areas of expertise. Being party of a unified community, payments were never an issue. The collaboration helped us make new connects which were mutually beneficial. All in all, it has been an extremely fruitful alliance.



Sharad Hulji
Capricot Technologies

Tax Corner

A 'supreme' judgement on Software

Guess what's got consultants, lawyers and CAs all excited in an off season month? A Supreme Court ruling on the vexed issue of Software!

The Supreme Court of India in a recent ruling has put an end to an over two-decade-old software royalty tax dispute after it ruled that cross-border payments made for the sale of software to a non-resident are not to be taxed as "royalty". Although for people who are well versed with how software is distributed, this judgement is merely a validation of the belief that they held for a long time, that software which is bought and sold without any right to modify the same (through EULA / VAR agreements) is merely akin to buying and selling any good and cannot be characterized as royalty.

The supreme court has gone into great length to explain that even when the end user is using the software or when a retailer is re-selling the software, there is no question of the payment being classified as 'royalty' and accordingly requires not withholding of tax.

So is this a reason for members to rejoice and communicate to their finance teams to forget the concept of withholding tax on software ? No.

As is the case with any other ruling, there are caveats and a factual matrix. For one the judgement only talks about 'DTAA' cases, which means cases where payment is being made for software to non residents who have provided valid tax residency certificate (TRC) entitling them to avail the benefit of the DTAA. This means that when you are purchasing / paying for software from a non resident who does *not* provide a TRC, this judgement may not be applicable. Secondly, it may also not be applicable on domestic purchase / purchase of software from 'residents'.

The divergence is on account of the fact that the question in front of the Supreme Court was pertaining to whether purchase of 'software' can be characterized as royalty as per the DTAA and the court has answered the same. However in my (and other more senior professional's) view, it does not apply to the definition of 'royalty' under the Income Tax Act, which is applicable on all domestic transactions.

The battle is only half won but that does not mean we cannot rejoice fully.