

Published by



 **interConnect**

Volume 07 | Edition 04 | 14th June, 2023

Changing Times Changing Business Model

STOP | LOOK | PROCEED.

Ashok L
Chairman - Infotech Software
Dealers Association



Dear ISODA Colleagues

Am writing this letter through Interconnect to help us prepare for the upcoming AGM & Business connect.

"I wanted to talk to you about something that's been on my mind lately. ISODA has been a significant part of my professional life for quite some time, but recently, I've been feeling a bit disconnected and disinterested."

"The events and networking opportunities don't seem as engaging as they used to be, and I find that I'm not benefiting as much from ISODA as I once did. I'm wondering if anyone else feels the same way, or if there are any new initiatives on the horizon that might rekindle my interest."

Some / many of you may be having the above feeling / question in your mind. This is quite natural in an association like ISODA which is 14+ years old with significance around TechSummit and Business Summit. I am part of at least two other business chambers and members interest in business associations is falling there as well.

Let us rewind and see how and why ISODA started.

It was founded on 7th October 2008, by a few like-minded Entrepreneurs who wanted to collectively represent themselves with the Government regarding double taxation on software products, which was harming their businesses. Like most other business chambers, ISODA started with the purpose of raising collective voice against Governments / law enforcement agencies when it came to business policies.

Many well-meaning Chairpersons in the past tried to suggest many changes but could not get that completed due to various reasons. This includes setting up a secretariat, appointing a full-time CEO etc. This meant more investment and operational costs for which ISODA was not ready.

We also lost 3 years to Covid '19 and this is the first-year post Covid '19 when were able to organize TechSummit outside India amidst a turbulent business environment.

Changing times, Changing business models.

Organizations are built to last. So also, ISODA. But it is essential that organizations must be agile enough to withstand the changes in the environment. Now is the time for Stop | Look | Proceed.

Yes, let us Stop and reflect why we are here and what we want ISODA to be beyond TS & BS.

This will help the Management Committee and myself to re-architect ISODA for betterment in the coming years. I request you to take 10 Minutes time and fill up the below Google Form.

<https://forms.gle/SR6FbD4CVRwZuSeG7>

If we need change, we need to collectively bring in the change! In the meantime, I urge you to contribute to ISODA InterConnect through articles that will help the community. This is YOUR mouthpiece! We also hope that you will enjoy this edition of InterConnect with some very interesting articles.

Best regards,

Ashok L

Chairman - Infotech Software Dealers Association

ISODA Tax Advisor **Dhruv Dua** | +91 9810984384 | taxadvisor@isoda.in

ISODA Legal Advisor **AR Pradeep** | +91 9884393078 | legaladvisor@isoda.in

ISODA Grievance Cell | grievance@isoda.in

BECOME AN ISODA MEMBER

Join one of India's largest networks of IT companies across verticals.

Please sign up at <https://isoda.in/membership.aspx>
and mail rm@isoda.in

ISODA Regional Meet Updates



28 April 2023

ISODA North

ISODA East

21 April 2023



ISODA Rajasthan

05 May 2023





ISODA West

19 May 2023

25 May 2023

ISODA South



TECH TALKS

The Transformative Power of AI/ML in Business Process Automation and Role of Document Management System in Process Automation

Author: Kapil Yadav, Head DMS/BPA, dMACQ

In this series of two articles, we will explore

Part A

The power of Document Management System (DMS) in business process automation driving efficiencies and scalability.

Part B

The use of AI/ML in automating business processes across key industries and current practices.

Part A: The Power of Document Management Systems (DMS) in Business Process Automation

In today's digital age, businesses generate and handle an enormous volume of documents. Managing and organizing these documents efficiently is crucial for optimizing business processes, ensuring compliance, and enhancing productivity.

Document Management Systems (DMS) have emerged as powerful tools that leverage technology to automate document-related tasks and streamline workflows. In this article, we will explore the use of DMS in business process automation, highlighting its benefits, implementation challenges, and future developments.

1 Streamlined Document Storage and Retrieval

One of the primary advantages of implementing a DMS in business process automation is the ability to store and retrieve documents efficiently. Traditional paper-based document storage systems are cumbersome and time-consuming. DMS eliminates the need for physical storage, allowing businesses to store documents electronically in a centralized repository. This centralization enables easy and quick access to documents, eliminating the need for manual searching through physical files. With powerful search functionalities, users can locate documents based on keywords, metadata, or specific criteria, saving valuable time and improving productivity. Some of the industries where DMS is considered a core system includes financial services, insurance, shipping & logistics.

2 Automated Document Workflows

DMS enables businesses to automate document workflows, reducing manual intervention and streamlining processes. Workflows define the sequence of actions that need to be performed on a document, such as approvals, reviews, and notifications. With DMS, these workflows can be predefined and automated, ensuring that documents move seamlessly through the appropriate channels. For example, an invoice approval process can be automated, where the DMS tracks the invoice, sends notifications to the relevant approvers, and updates the status of the approval in real-time. Automated workflows not only save time but also minimize errors and ensure compliance with standardized processes. Businesses have been using forms as a means of standardising information collation and processing for a long time and a modern DMS enables digital forms with workflows that integrates with core systems.

Moreover, Artificial Intelligence (AI)/ Machine Learning (ML) based data classification and extraction significantly enhances productivity and efficiency and the use of DMS with e-forms, automated workflows, and AI/ML is increasingly being deployed across several industries.

3 Enhanced Collaboration and Version Control

Effective collaboration is critical for many business processes, and DMS facilitates seamless collaboration among team members. Multiple users can access and work on the same document simultaneously, eliminating the need for email exchanges or physical document sharing. DMS provides features such as version control, where each document version is saved, allowing users to track changes and revert to previous versions if necessary. This ensures that everyone works on the latest version of the document, avoiding confusion and enhancing collaboration.

4 Improved Security and Compliance

Data security and compliance are paramount concerns for businesses, especially when handling sensitive or confidential information – especially personally identifiable information. DMS offers robust security features to protect documents from unauthorized access while at the same time ensuring data integrity and compliance with regulatory requirements. Access controls can be set to restrict document access to authorized individuals, and encryption techniques can be employed to secure document transmission and storage. Additionally, DMS maintains an audit trail of document activities, providing a comprehensive record of document actions and aiding in compliance audits.

5 Integration with Other Systems

A modern DMS can integrate seamlessly with other business systems, such as Customer Relationship Management (CRM) or Enterprise Resource Planning (ERP) systems. Integration allows for automated data exchange between systems, reducing the need for manual data entry and minimizing errors. For example, customer data stored in a CRM system can be automatically linked to relevant documents within the DMS, providing a comprehensive view of customer-related documents in one place. This integration enhances efficiency and data accuracy while improving the automation of business processes. However, it is imperative that customers choose a DMS that comes with readily available Application Programmable Interfaces (API) that enables easy integration with existing applications. Ability to integrate is a key parameter in evaluating scalability and use of DMS in process automation projects.

Challenges and Future Developments of DMS

Implementing a DMS for business process automation may present some challenges. Organizations may face resistance to change since employees will need to adapt to new systems and workflows. Adequate training and change management strategies are essential to ensure successful adoption. Additionally, migrating existing documents and data to the new DMS can be a complex task that requires careful planning and execution.

Looking ahead, the future developments in DMS technology are promising. Artificial Intelligence (AI) and Machine Learning (ML) algorithms can enhance document classification and automated data extraction capabilities, improving the accuracy and efficiency of document processing. Integration with Robotic Process Automation (RPA) can further automate repetitive document-related tasks, reducing manual effort, and improving productivity. Additionally, advancements in cloud computing technology offer opportunities for scalable and cost-effective DMS solutions, enabling businesses of all sizes to benefit from the power of automation provided by a DMS. Keywords/tags: DMS, BPM, Document Management System, e-forms, AI, ML, Digital Transformation, Digitisation, Digitalisation, dMACQ DMS, Collaboration

Part B: Use of AI/ML in Process Automation

In continuation of our earlier article on use of DMS in automation, we discuss the role of AI/ML in automation in this concluding article.

We looked at **Power of DMS in Process Automation** in our previous article, in summary:

Document Management Systems (DMS) have become integral tools in business process automation, offering numerous benefits such as streamlined document storage and retrieval, automated workflows, enhanced collaboration, improved security, and compliance. By leveraging DMS, businesses can optimize processes, save time, reduce errors, and enhance overall productivity. Although challenges exist during implementation, effective change management strategies and ongoing training can help organizations successfully adopt DMS. With future advancements in AI, ML, and cloud computing, DMS will continue to evolve, empowering businesses to achieve higher levels of automation and efficiency in document-related processes.

Today we will discuss how modern technologies are powering **Business Process Automation**.

Artificial Intelligence (AI) and **Machine Learning (ML)** have revolutionized the way businesses operate in various industries. The integration of AI/ML technologies into business process automation has streamlined operations, improved efficiency, and provided valuable insights for decision-making. In the section below some of the leading industries that benefit from AI/ML are discussed in detail.

1 Manufacturing Industry

AI/ML has significantly impacted the manufacturing industry by automating repetitive tasks, optimizing supply chain management, and enhancing quality control. Intelligent robots powered by ML algorithms can handle complex assembly processes, resulting in increased productivity and reduced errors. Machine learning algorithms can also analyse vast amounts of data from sensors and machinery, detecting patterns and predicting maintenance requirements, thereby preventing breakdowns and reducing downtime. Additionally, AI-powered demand forecasting models enable manufacturers to optimize inventory levels and enhance production planning.

Retail Industry 2

In the retail industry, AI/ML technologies have transformed various aspects of business processes. Chatbots and virtual assistants powered by natural language processing (NLP) algorithms have enhanced customer service, addressing inquiries, and providing personalized recommendations. Furthermore, AI-driven systems can analyse customer behaviour, purchasing patterns, and social media sentiment to deliver targeted marketing campaigns and improve customer retention. ML algorithms also enable dynamic pricing strategies by analysing competitor prices, demand patterns, and market trends, thereby maximizing profits and optimizing sales.

3 Healthcare Industry

The healthcare industry has witnessed a significant impact from AI/ML technologies, particularly in automating medical processes and improving patient care. ML algorithms can analyse vast amounts of medical data, including patient records, diagnostic images, and research papers, to assist physicians in diagnosis and treatment decisions. AI-powered robotic process automation (RPA) systems streamline administrative tasks such as appointment scheduling, billing, and claims processing, reducing human error and saving time. Additionally, predictive analytics algorithms can forecast disease outbreaks and optimize resource allocation in hospitals.

Financial Services Industry 4

AI/ML has revolutionized the financial services industry by automating processes, reducing fraud, and improving customer experiences. Chatbots and virtual assistants are utilized in customer service, handling routine inquiries, and offering personalized financial advice. ML algorithms detect fraudulent activities by analysing transaction patterns, identifying anomalies, and preventing potential security breaches. Moreover, AI-powered algorithms analyse vast amounts of financial data, news articles, and market trends to make accurate investment predictions and automate trading strategies.

5 Transportation and Logistics Industry

The transportation and logistics industry benefits greatly from AI/ML technologies in optimizing operations, reducing costs, and improving supply chain management. AI-powered route optimization algorithms analyse historical data, weather conditions, and traffic patterns to identify the most efficient routes, reducing delivery times and fuel consumption. ML algorithms are also used for demand forecasting, enabling companies to optimize inventory levels and minimize stockouts. Additionally, autonomous vehicles and drones equipped with AI/ML capabilities are transforming last-mile delivery services.

Challenges and Future Developments

While the use of AI/ML in business process automation brings numerous benefits, several challenges need to be addressed. Data privacy and security concerns, algorithmic bias, and ethical considerations are critical factors that require careful attention. Additionally, the shortage of skilled AI/ML professionals and the need for substantial computational resources pose challenges to widespread implementation.

Looking ahead, the future developments in AI/ML for business process automation are promising. Advancements in natural language processing, computer vision, and deep learning algorithms will enhance the capabilities of AI-powered systems – especially DMS. Furthermore, the integration of AI/ML with DMS and Internet of Things (IoT) devices will create a more interconnected and intelligent ecosystem for automation. Continued research and collaboration between industry and academia will drive further innovation in AI/ML applications across industries.

In Summary

AI/ML technologies are transforming business process automation across various industries, revolutionizing the way businesses operate and providing valuable insights for decision-making. Use of AI/ML-powered DMS that is integrated with workflow elements are driving digital transformation projects across industries. From manufacturing and retail to healthcare, finance, and transportation, the integration of AI/ML has optimized operations, improved efficiency, and enhanced customer experience. However, it is crucial to address challenges related to data privacy, bias, and ethical considerations. As AI/ML continues to evolve, the future holds immense potential for further advancements, enabling businesses to achieve unprecedented levels of automation and efficiency.

About dMACQ

dMACQ helps organisations with digital transformation solutions and brings expertise in the areas of business process automation, workflow management, document management systems, and use of AI/ML based technologies in related areas. With products adopted by several global companies across many industries, dMACQ's consultants are always ready to share their experiences and best practices in helping customers apply digital transformation tools to optimize their productivity and profits.

Keywords/tags: DMS, BPM, Document Management System, e-forms, AI, ML, Digital Transformation, Digitisation, Digitalisation, dMACQ DMS, Collaboration

Contacts for this article & dMACQ

Kapil Yadav, Head DMS & BPA
kapil.yadav@dmacq.com
Ph: +91 99200 20513



dMACQ contacts:
Email: info@dmacq.com
Website: www.dmacq.com
Ph: +91 99991 02950

LEGAL CORNER**A R Pradeep****ISODA Legal Advisor**

Applicability of Gratuity for a proprietorship concern

Gratuity is a lump sum payment made by an employer to an employee as a token of appreciation for their services rendered to the organisation. Its purpose is to provide financial security to employees after their retirement or resignation. The Payment of Gratuity Act, 1972, governs the payment of gratuity to employees in India. However, it is often unclear whether gratuity is applicable to proprietorship, which is a type of business structure where a single person owns and operates the business.

In India, a proprietorship does not have a separate legal status from the proprietor. This means that the proprietor is personally liable for all the debts and obligations of the business. The income earned by the business is considered the income of the proprietor and is taxed accordingly.

The Payment of Gratuity Act, 1972, is a central legislation that governs the payment of gratuity to employees in India. The Act applies to all establishments, factories, mines, oilfields, plantations, ports, and other establishments that have 10 or more employees. The Act does not explicitly mention proprietorship, which can create confusion about whether gratuity is applicable to this type of business structure. Also it is important that the person has been working with the concern for a continuous period of 5 years.

However, based on relevant case laws and court rulings, it is generally understood that the provisions of the Act apply to all employees, including those working in a proprietorship. In a landmark judgment in 2005, the Supreme Court of India held that the definition of 'employee' in the Act includes all employees, regardless of the type of establishment they work in. This means that proprietors who have employees working for them are required to pay gratuity under the Act.

It is important to note that there may be certain exemptions or conditions that apply to proprietorship. For example, if the establishment has less than 10 employees, it may be exempt from the Act. Additionally, if the proprietor is the only employee of the business, they may not be eligible to receive gratuity. Also there are some exceptions when it comes to payment of gratuity which applies on a whole to all entities when an employee whose service has been terminated for: Any act, wilful omission or negligence causing any damage or loss to, or destruction of, property belonging to the employer; or act of riotous disorderly conduct or any other act of violence on the part of the employee; or any act which constitutes an offence involving moral turpitude, in the course of his employment.

Determination of Gratuity Amount For every completed year of service or part thereof in excess of six months, the employer shall pay gratuity to an employee at the rate of fifteen days' wages based on the rate of wages last drawn by the employee concerned. The Gratuity calculation is done as per the last average remuneration drawn and time in years served by an employee. The amount of gratuity payable to an employee shall not exceed Rs. 10,00,000 (increased from Rs. 3,50,000). To compute the gratuity payable in case of employees employed in seasonal establishments, daily wages, or piece rated employees. Computation will be as per the provision of the Act.

It can be formulated as follows:

Basic + DA (Wages Last drawn)* 15days 126 * number of years of continuous service (six months or less to be ignored and more than six months to be counted as full year)

In conclusion, while gratuity is a common way for employers to offer financial security to their employees, there are alternatives that proprietorship can consider based on their specific needs and circumstances. By providing these alternatives, proprietors can ensure that their employees are well taken care of and their business is in compliance with legal requirements.