

Theme

**Startup Support
(Incubators, Accelerators)**

Title of the Paper

**Legal Startups : Case Study of Gujarat National Law
University Legal Incubation Council, Gandhinagar**



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Legal Startups : Case Study of Gujarat National Law University Legal Incubation Council, Gandhinagar

Abstract

*“It’s not about ideas. It’s about making ideas happen.”
- Scott Branson*

Industry plays a vital role in development of any country. To realize goal of industrialization, we need to promote the spirit of entrepreneurship and startups. Supporting students by providing funds and grants for their startups during their academic endeavor is the best way to promote startups. These startups are supported by Entrepreneurship Cell (E-Cell) setup at institutions and colleges. External agencies like banks, angel investors etc. also help in providing funds to these student startups. Generally, startups are created by people having engineering and management background but now the scenario has changed. People from diverse backgrounds i.e., arts, law, medical etc. are presently working with some exceptional startups. Similarly, one of these is *Legal Startups*. During the last five years there is a tremendous increase in the number of legal startups which have been established in India. Some of the startups are working pro-actively in this field. In order to increase the number of startups in this field there is a vital need of support in the form of E-Cell and Incubators at every possible organizations/institutions. Observing the present requirement, Gujarat National Law University (GNLU), Gandhinagar came up with idea of establishing a “*GNLU Legal Incubation Centre*” in the year 2014 which is now a registered company under Companies Act, 2013. This paper will discuss about legal startups in India, incubators for legal startups in India etc. with main focus on GNLU Legal Incubation Council which is India’s first of its kind incubators in India.

Key Words: - Incubator, Startups, Legal, Law

Legal Startups : Case Study of Gujarat National Law University Legal Incubation Council, Gandhinagar

1. INTRODUCTION

“It’s not about ideas. It’s about making ideas happen.”

- Scott Branson

India is a developing nation. It has a large population of more than 1.25 crore. Due to large population, the demand of employment is also high in the country. This situation of less employment and large number of population has given a boost to rise of startups in India. The youth is now much motivated to work on their own rather than relying on their parents or peers for job. This has given a major boost to the number of startups in India.

There is not any clear definition of a word ‘startup’ but any new business (startup or start-up) that plans to meet a market requirement by creating or offering a creative and phenomenal product, process or administration through innovation and ideas is known as a Startup. A startup is generally an organization, for example, an independent venture, an association or an association intentionally intended to instantly build up a reliable business.¹ Generally, new businesses adopt different ways and techniques like internet, web based business, PCs, media communications, or mechanical independence to create their own autonomy in the market.² These startups are generally defined on the basis of these objectives as:

1. Companies which have been established for less than three years.
2. A business which is temporary in nature.

¹ “High-Skilled Labour Mobility in an Era of Protectionism: Foreign Startups and India” by Arpita Mukherjee, Avantika Kapoor and Angana Parashar Sarma, Indian Council For Research On International Economic Relations, http://icrier.org/pdf/Working_Paper_362.pdf

² <https://www.government.nl/topics/enterprise-and-innovation/supporting-ambitious-entrepreneurs-and-startups>

3. A business is considered to be novel, useful and innovative for the society.
4. It has been established as a new business entity and not as a result of split-up or restructure of a business organization.
5. A business engaged in distribution of different products, process and services.

Stages of Startup

1. Pre-Startup

In this stage a product and target market is identified for which a startup is necessary to be setup. Whether the product or service which has to be launched is viable for the market or not is discovered during the pre-startup stage.

2. Startup

At this level, the entrepreneur works on his customer-building relations. He looks for ways and techniques to build his and his startup's reputation in the market. He creates his business model in a way to boost his startup in every possible manner he can.

3. Growth

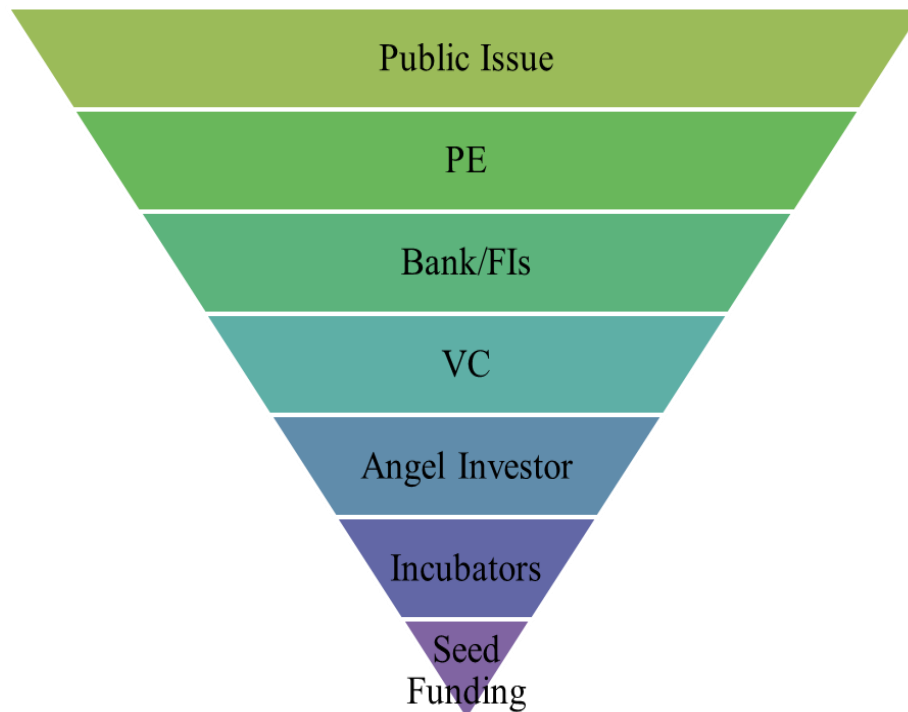
This is the last stage of establishing a startup in the market. At this stage, the entrepreneur's focus is on the maintenance of startup in the market for a longer duration. He deals with the competition and challenges in the market just to setup its startup and create a brand for it in the market.

Financing for Startups

There are different types of financing options which are available for the startups during the different stages of the firm life cycle. The financing types are based upon the level of growth of the startups from the first stage of the firm life cycle to the final

stages along with their growth and production scale. Since the type of finance vary across different stages of the firm life cycle.³

Figure 1 :- Stages of Business & Sources of Funds



Startups in India

India has seen many start-ups, which aided in the growth of the economy. In every sector like retail, hotel industry, medicine, education, transportation etc., startups emerged like a boom. The primary start-ups are *Flipkart, Oyo Rooms, Chaayos, Ola Cabs, Paytm, Redbus, Zomato, Zivame, Justdial, Pepperfry, LimeRoad, Quikr, Cardekho, Practo, Urban Ladder, Policybazar, Grofers, Shopclues, Nearbuy, Voonik, Innobi, Firstcry, Yepme, Mobikwik, Bigbasket, Nykaa, Hopscotch, Bluestone, Caratlane, Paperboat, Gojavas, Craftsvilla, Roposo, Voylla, Babyoye, Naaptol etc.*

Despite of a long list of startups in India as mentioned above there are also legal startup which has been established in the market. For our understanding, a legal

³ J. Chris Leach & Ronald W. Melicher, *Entrepreneurial Finance*, Cengage Learning, 4th Ed, 2012

startup is one which has been setup to provide services related to develop and boost the legal services. These services are mainly comprised of legal information, legal journalism, free legal aid services to the people, briefs of judgements given by a court of law, etc. These services are mainly provided by the people working in law firms, lawyers, legal advisors etc. and now by the law students who are interested to start something on their own. Therefore, this paper is going to discuss in length about the legal startups and its growth in India.

2. LEGAL STARTUPS

To understand the concept of legal startups one should be well aware with the word Startups. Startups generally mean “*a company built on innovation and technology wherein the founders work on the development of that product or services which has a high demand in the market.*”⁴ Startups are considered to be temporary business organizations which mainly work on a scalable business model.⁵ In today’s world, there are large numbers of startups working in different sectors like health, education, food and beverages, technology, etc. but there are much more to it like legal startups. According to the present situation, the legal sector is brimming with startups. As of November 7, 2015, there were 976 entities listed under the "legal startups" category 14 and 210 entities listed under the "legal tech startups" category in USA⁶ The reasons are multi-fold of the rise of legal startups in today’s world. These are as follows:

⁴ “*What We Know and Need to Know About Legal Startups*” by Daniel W. Linna Jr, Michigan State University College of Law, linnadan@law.msu.edu.

⁵ “*Start-up Industry in India*” retrieved from <http://ssrana.in/Intellectual%20Property/Start%20Up%20Law/Start-up-Industry-in-India.aspx> on November 7, 2018

⁶ Legal Tech Startups, ANGELL!ST, <https://angel.co/legal-tech-1>

1. Law is an ever-growing industry

According to the experts, the legal sector is considered to be continuously growing and a developing industry. The demand for legal services is increasing day by day. More than 80% of the law firms are involved in providing legal services to their customers.

2. Legal Startups provides aid to the needy people

Legal startups are much focused on to provide their services to the needy and poor people who are unable to pay hefty fees of the lawyers. According to the studies, the minority class of the society or people who belong to below poverty line do not have access to legal aid because of financial issues. These startups mainly help such kind of people in granting them free legal aid in order to get justice from the court of law.

3. Transparency in the system of working

The legal startups are much preferred by the people these days because of their transparent system of working. These startups not only provide quality legal services but also lower the prices for the services provided. They assist the legal departments by providing excellent legal services at a much cheaper cost resulting into large number of employments in the country.

4. Large number of involvement of Students

Earlier law firms used to hire the students who have completed law to work in their law firms but nowadays the students are much more interested to setup their own legal startup so that they can provide quality legal services to the people who are in dire need of it. Number of students is interested to work in these legal startups in order to provide quick access of legal services to the legal departments resulting into improvement of legal delivery systems.

Financing of Legal Startups

The legal startups are mostly being funded by the incubator setup in different law universities. For example, at Gujarat National Law University, Gandhinagar have their own Incubation support system known as Gujarat Legal Incubation Council which supports and provide funds to the students who are interested and capable to start their own venture. Government provides funds to the startups under their different schemes. Presently there are fewer avenues available through which legal startups can be funded and supported.

Legal Startups in India

Followings are some legal startups which will give you some understandings about the sector.

LawRato⁷

This startup is an online forum to provide consultancy services to lawyers, hire and provide rating to them. There are more than 7000+ lawyers from all over India registered under this startup. The services are provided in English and Hindi and if any lawyer has a low or below average rating then his profile gets deactivated. The founders of this startup are Rohan Mahajan and Nikhil Swarup.

Vakil Search⁸

This startup was established in the year 2011 and is now well-known in the country. This startup provides online legal services to their clients in the sectors like IP protection, tax regulation and compliance issues, documentation, etc. The startup has gained a momentum and in the present day it has clients like HDFC bank, Citibank, Axis bank etc.

⁷ <https://lawrato.com/>

⁸ <https://vakilsearch.com/>

Near Law⁹

This startup has a very unique way of providing legal services to its clients. The startup uses Artificial Intelligence (AI) to provide information on legal matters. The technique of Natural Language Processing (NLP) is used to make an easy search of case laws from case-to-case basis. The founder of this startup is Vikas Sahita who says that value-based pricing gives this startup a unique feature.

bCompliance¹⁰

This startup provides legal and compliance management services to all corporates and individuals who are interested to work for a startup. Services like resolution of queries, quick interaction with the experts, knowledge of law etc. is being provided to the clients. The main objective of this startup is to make compliance issues easier to handle by the organizations.

Nyaaya¹¹

This startup educates the people about their legal rights, laws applied in different sectors, penal sanctions, etc. This is comprised of both central and state laws. The laws and all related materials are available online in simple English language.

Live Law¹² / Lawctopus¹³

Live Law & Lawctopus is online portal which provides details about all the law schools, events, job opportunities in legal sector, competitions etc. This startup has gained a worldwide momentum in a very less period of time.

⁹ <https://nearlaw.com/>

¹⁰ <http://www.bcompliance.in/>

¹¹ <https://nyaaya.in/>

¹² <https://www.livelaw.in/>

¹³ <https://www.lawctopus.com/>

Advok8¹⁴

In the present time, there are crores of pending cases which are yet to be decided by the court of law. Advok8 was established in the year 2016 by Saurav Kumar Sinha in Delhi. This startup helps to provide legal aid services like booking of appointment, funding of litigation, etc. to make the complex process of legal work a bit simple. This startup works through an app-based system which makes it easier for people to find lawyers who are suitable for their case. There is also a way of to track cases as and when required by making a nominal payment. As stated by the founder himself, *“This sort of eliminates the hassle of lawyers/ litigants having to follow up manually with courts and several law clerks on the latest updates in their cases. So the way you track your food delivery, you can even track your case progress and related details, clarifies Saurav.”*¹⁵

Casemine¹⁶

Casemine is Artificial Intelligence based virtual platform for legal research and analysis. This helps in analyzing the case in effective and timely manner. It was founded by Aniruddha Yadav. The team, made up of IIM-grads works under the able guidance of ex-Chief Justice (Kolkata High Court) to bring artificial intelligence in the domain of legal technology, reveals Yadav.¹⁷

¹⁴ <https://www.advok8.in/>

¹⁵ *What We Know and Need to Know About Legal Startups* by Daniel W. Linna Jr. Michigan State University College of Law, linnadan@law.msu.edu

³ “This legal tech startup is helping people without money fund and fight their cases” retrieved from <https://yourstory.com/2018/03/legal-tech-startup/> on November 1, 2018

¹⁶ <https://www.casemine.com>

¹⁷ <https://www.analyticsindiamag.com/story-casemine-ncr-based-startup-thats-disrupting-indian-legal-system-using-ai/>

LawBriefs¹⁸

LawBriefs is a legal service platform that prepares case summaries of lengthy and difficult judgement. In order to make the understanding clear, they divide the entire judgement into various parts which includes- Briefs and Facts and Procedural History, Issues before the Court, Arguments raised, Ratio and decision of the court. They also provide a quick introduction to the judgement in form of an introductory table which acts as a reference tool for lawyers. LawBriefs's aim is not to reduce the understanding of the judgement, our aim is to reduce the efforts caused in understanding it. Aditya Gor, Law Student of GNLU is the founder of the LawBriefs. He has received lot of accolades for his startups at state as well as national level.

ProBono India¹⁹

There is a need of innovation in providing legal aid and awareness to citizens. ProBono India focuses on legal aid and awareness activities across the world and put on one platform. It started by Dr. Kalpeshkumar L Gupta, author of the present paper.

LawMate²⁰

LawMate started couple of years back with the objective to support startups with regards to legal compliances in the initial stage. Gautami Raiker, Advocate based at Goa is the founder of LawMate.

“As a result of definitive policies and measures of the government to develop and promote the startup ecosystem, this sector in India is emerging pretty well,” says Ashish Porwal, founder of Hreem Legal.²¹ *“There have been a couple of marquee transactions involving startups in recent times. In fact, several older and larger firms*

¹⁸ <http://lawbriefs.in/>

¹⁹ <http://probono-india.in/>

²⁰ <https://lawmate.in/>

²¹ “The State of India’s Legal sector” retrieved from <https://www.vantageasia.com/state-indias-legal-market/> on November 5, 2018

*have also begun taking keen interest in the startup ecosystem.”*²² Legal startup though a well-known idea in US, is still at its nascent stage in India, with not many startups competing with each other. As the startup ecosystem matures, legal startups will certainly create a niche in the big business market.

Looking at the less awareness about the legal startups in India, Dr. Kalpeshkumar L Gupta, author of the present paper recently started a unique startup named as **Legal Startups**²³ for highlighting all legal startups across the world.

3. GNLU LEGAL INCUBATION COUNCIL

About Gujarat National Law University

Gujarat National Law University (GNLU) is the statutory university established by the Govt. of Gujarat under the Gujarat National Law University Act, 2003. It is situated at Gandhinagar District. The University is recognized by the Bar Council of India (BCI) and the University Grants Commission (UGC) (2f & 12B). The University is also a member of the Association of Indian Universities (AIU) and member of United Nations Academic Impact (UNAI) and International Association of Law Schools (IALS) and Asian Law Institute (ASLI) and Shastri Indo-Canadian Institute. The GNLU Act, 2003 proclaims that GNLU, "shall be to advance and disseminate learning and knowledge of law and legal processes and their role in national development: to develop in the students and the research scholars sense of responsibility to serve society in the field of law by developing skills in regard to advocacy, legal services, legislation, parliamentary practice, law reforms and such other matters; to make law and legal processes efficient instruments of social

²² "Legal-tech start-ups make a case for entrepreneurs" retrieved from <https://www.thehindubusinessline.com/info-tech/legaltech-startups-make-a-case-for-entrepreneurs/article8656504.ece> on November 5, 2018

²³ www.legalstartups.info

development; and to promote inter-disciplinary study of law in relation to management, technology, international cooperation and development."²⁴

About GNLU Legal Incubation Council²⁵

GNLU set up GNLU Legal Incubation Center in year 2014 nurture and support students' startups as any other Centre of Excellence in the university. It is a part of university's vision towards excellence in imparting quality legal education which aims at institutionalizing mechanism, which could act as support system for entrepreneurs. The Incubator set up under the scheme is expected to act as a tool to promote entrepreneurship and self-employment amongst law students as an attractive and viable career option. It started its operation by conducting seminars, workshops on entrepreneurship. It launched National Business Plan Competition in year 2016 which is its flagship event.

GLIC is the Nodal Agency funded and approved by Industries Commissionerate, Government of Gujarat and Commissioner of Technical Education, Government of Gujarat under the scheme of Student Startup and Innovation Policy (SSIP) – 2017²⁶. To expand the scope of its operation, it was registered under Section 8 of the Companies Act, 2013 in name and style of GNLU Legal Incubation Council as a Not for Profit company.

Objectives of the GNLU Legal Incubation Council

Followings are the objectives of the council

²⁴ <https://gnlu.ac.in/GNLU/About-Us>

²⁵ <https://gnlu.ac.in/Legal-Incubation-Center/Home> Website content developed by the Author and other team members of Council

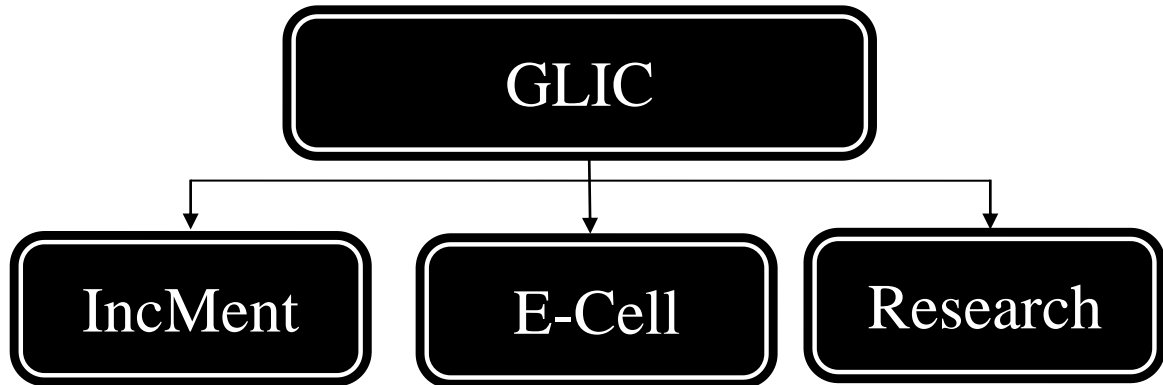
²⁶ <http://www.ssipgujarat.in/>

- The main objectives of establishment of the council are to promote and establish incubation council at GNLU to encourage and support startups in the field of law with allied interdisciplinary areas.
- To act as an institutional mechanism for providing various services including information on all aspect of enterprise building to budding entrepreneurs.
- To motivate and inspire Students/Alumni/Faculty/Venture Capitalist to take up the challenge of entrepreneurship, undergo executive development programme, skill development training and enhance self-employment opportunities.
- To equip them with necessary skills and provide all possible assistance.
- To recognize the entrepreneurship capabilities of students
- To create opportunities for development of entrepreneurship skills.
- To organize seminars/ guest lectures / workshops/ industrial visits.
- To provide opportunities for experiential learning to students.
- To bridge the gap between the students and investors.
- To promote creative thinking and an entrepreneurial mindset among the Students/Alumni/Faculty/Venture Capitalist.
- To promote innovations and help convert them into market accepted products.

Divisions of the GNLU Legal Incubation Council

GLIC is having three pronged approach first one Incubation & Mentorship (**IncMent**) in which it will incubate and mentor the startups, secondly inculcate and promote culture of entrepreneurship by way of forming Entrepreneurship Cell (**E-Cell**) consisting of law and management students of the GNLU and lastly research on entrepreneurship and allied aspects.

Figure 2 :- Divisions of GNLU Legal Incubation Council



Activities by GNLU Legal Incubation Council

GLIC has conducted following events till date

1. Seminar on Legal Startups
2. Workshop on Social Entrepreneurship
3. Workshop on Design Thinking
4. National Business Plan Competition since 2016
5. Workshop on Women Entrepreneurship
6. Panel Discussion on Women Entrepreneurship
7. Session on Taxation Issued in Startups
8. National Film Making Competition on Entrepreneurship and Startups

Startups by Students

In last one decade GNLU Alumni came up with around 20 legal and non-legal startups. Main objective of GLIC was to support legal startups only but looking at potential of students in other area, non-legal startups also started being supported. GNLU started giving funding to startups in last two years. Till date total 9 startups have been incubated by GLIC. List is shown below.

Table 1 :- List of GNLU Incubatees

Sr. No.	Name of Startup	Area of Work
Legal Startups		
1	Law Briefs	Summarizing Judgments of Supreme Courts, High Courts
2	SoCo	Helping rural India.
3	ADR India	Solution to Alternative Dispute Resolution
4	LexQuest Foundation	Research & Educational
5	Law Learner	Online Law Courses and more.
6	Legal Intern	Database of legal professionals.
7	Law On Door	Legal Education database.
Non-Legal Startups		
1	Artists Adda	Painting, poetry, sketch competitions
2	Catharsis	Magazine publishing by students

Incubatees’ experience with GLIC

GLIC is one of its kind incubation centre for legal startups. The objective is to promote entrepreneurship in legal industry. We know that legal industry in our country is facing various problems; be that as it may, various attempts have been made to solve this problem but they didn't show results. Hence, I think it is the right time that the legal industry in India starts thinking from the entrepreneurial blend of mind. GLICs aim to promote legal startups will definitely result into better legal system in our country.

(Aditya Gor, LL.B. Student, Founder of LawBriefs)

GNLU Legal Incubation Council has been remaining such a concrete support for startups. It not only support startup financially but also provides co-working space, great mentoring support and keep updating each startup about the current opportunities for excelling. Monthly progress reports, meeting with mentors and every time facilitating various other start up seminars at free or discounted rates are literally boons to rise in this curvy roads of starting up.

(Vihasi Shah, LL.M. Student, Founder of Artists Adda)

My startup has lately been incubated under GLIC. The team is ever supportive and has always motivated me. The team is always eager to help and I look forward to extract out every kind of assistance from the Centre.

(Devansh Saraswat, LL.B. Student, Founder of Law Learners)

4. CONCLUDING REMARKS

We can see from the above discussion that legal startups have started making their mark in India. Observing the present needs of society access to quick legal services have become necessary for the people at large. These legal startups are providing a great help to all by fulfilling the legal needs of people who mainly require these types of services every now and then. GNLU has taken an excellent initiative by setting up of GLIC in order to fund and promote the student legal startups. It has also expanded its scope to non-legal startups looking at students' potential in various other areas. It is a big challenge operating legal incubation center unlike centres set up in Technical and Management institutes but here is a very good scope for nurturing legal startups by way of structured incubation and mentoring support.