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INDIA POWERS ON

India is poised to sustain its economic growth momentum in the fiscal year 2025, anticipating a growth rate of around 7 percent. The country's expected outperformance compared to the global economy has been attributed to stable domestic demand and private investment, on the back of past government reforms, and further underpins India's economic resilience in the face of global economic challenges.

This sustained economic growth is proving to be a boon for corporate law firms, which are poised to reap significant benefits from the flourishing business landscape. As the economy expands at a robust pace, corporate activities

such as M&As, business expansions, and capital market transactions expected to surge even further. In the latter space, India witnessed the launch of 57 mainboard IPOs in 2023, and certain sectors, including defence, realty, autos, PSEs, and pharma, stood out as major performers.

Corporate law firms are witnessing a surge in advisory mandates, transactional work, and litigation, as businesses navigate complex legal frameworks to capitalize on growth opportunities. As India's economy continues on its growth trajectory, corporate law firms stand to benefit from the expanding market, presenting lucrative opportunities for legal practitioners and firms alike. – **RANAJIT DAM**

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LAW IN THE TIME OF ROBOTS

Even as generative AI sweeps the globe, Indian law firms have been slow to embrace it. Those that have done, though, are encountering lower costs and shorter turnaround times. But as with any new technology, it's critical that firms move carefully. **BY NIMITT DIXIT**

Generative AI has arrived, and law might never be the same. A 2023 study by New Zealand-based AI solutions provider Onit compared the ability of large language models (LLMs), like ChatGPT, to review contracts with that of junior lawyers and legal process outsourcers. A few LLMs, including GPT4-1106 and Claude 2.0 identified contract issues with almost the same accuracy as LPOs and junior lawyers. Remarkably, while a junior lawyer took on average 56 minutes and an LPO 200 minutes to review the contract, LLMs completed the task in a matter of seconds. Equally notable is the stark difference in the average cost per document review. A junior lawyer would cost \$74.26 per contract, an LPO \$36.85, while LLM would cost under a dollar per contract.

These are not just statistics; they signal a seismic shift in legal practice. The growth of specialised generative AI models is poised to become a game changer for law firms in terms of productivity and turnaround times for contract review. But the buck doesn't stop there.

Generative AI offers benefits in terms of increased capacity and scalability, improved and more expansive information analysis to factor into legal strategy and advice, personalised client advice and competitive intelligence, say Trilegal partner Nikhil Narendran.

"It also provides more touchpoints for engaging with clients, such as offering chatbots and legal services platforms to provide legal advice at the first level," Narendran says. "Ultimately, adoption of AI plays a significant role in making our professionals and firm future-ready and moving them up the value chain."

Indeed, the industry view is that the use of AI for automating repetitive work, frees up lawyers to allow them to focus on more crucial functions such as strategy-building and team management.



"It also gives time to start nurturing client relationships – something mid-level lawyers are unable to focus on and is becoming necessary in today's time for them to deliver their true potential once they rise as a partner," says Yavanika Shah, a practice development professional at IndusLaw.

"I also think that law firms who adopt advanced technology will be able to retain top legal talent, especially from the younger generation who are comfortable with technology," adds Shah, who recently authored a chapter in a book titled 'Legal Operations in the Age of AI and Data.'

ADOPTION IN INDIA

Leading law firms are responding to demands for innovation from clients to integrate generative AI into their workflows.

Trilegal has been one of the firms leading the way on Gen AI adoption in India. The firm has constituted a Digital Innovation Group (DIG) as part of its efforts to render the law firm future-ready to incorporate AI-based solutions, including generative AI, to bring about greater value to clients and the industry at large, Narendran says.

"Initiatives in the process of being implemented include AI tools enabling better business and knowledge management by providing data insights and generating key driving points for various areas, AI-based dashboards for partners to obtain reports and actionable insights, AI-systems for research, drafting, due diligence and document management, as well as automation of administrative aspects such as resource planning, generation of templates and draft responses and preliminary briefs, and related solutions to improve operational efficiencies," he adds.

Other firms are not far behind. Nishith Desai Associates has developed an in-house Gen AI-based chatbot called NaiDA. "Built on the advanced GPT-4 model from OpenAI and hosted on AWS servers, NaiDA is designed to empower our lawyers with intelligent insights in their daily workflows," the firm says.

Meanwhile, Cyril Amarchand Mangaldas started dabbling in machine-learning models as early as 2017, when it signed an agreement with Canada-based tech company Kira Systems to launch a customised tool to assist in contract review.

LISTEN TO THE CLIENT

A Thomson Reuters Market Insights research report has revealed that law firms conducting formal client feedback programs can earn nearly twice the share of a client's external legal spend compared to those not engaging in feedback. Client feedback plays a pivotal role in helping law firms evaluate their performance, improve service quality, build strong client relationships, and differentiate themselves in a competitive Indian legal market. By actively seeking and leveraging client feedback, law firms can continuously strive for excellence and meet the evolving needs of their clients. Indian law firm leaders share strategies on how they take client feedback and how they use it to improve their relationships. **BY NIMITT DIXIT**

QUESTION

How do you perceive the impact of client feedback on your firm's overall performance, and what measures are you currently taking to actively involve clients in feedback programs?



Nishith Desai,
founder,
Nishith Desai
Associates

Listening to client feedback and working towards improvement are integral aspects of our operational ethos. At NDA, we recognise our clients' perspectives and the invaluable knowledge that it brings along.

To actively involve our clients in feedback programs, we have implemented a multifaceted approach. Firstly, we conduct third-party periodic surveys (by Hinge Consulting, a U.S. company) to gather insights on client satisfaction, ensuring a structured and comprehensive understanding of their needs on various parameters, such as – our technical abilities, industry knowledge, proactiveness, and

value creation. These surveys have helped us identify what's working and what's not. The data guides us to implement strategic improvements in service delivery and cater to our clients' evolving needs.

Furthermore, over the years, we have established open channels for continuous communication, encouraging clients to provide real-time feedback on their ongoing assignments. ^{ALB}



Suhail Nathani,
managing partner,
Economic Laws
Practice

As a law firm – our primary focus is towards benefitting our client and consequently, client feedback is a critical measure of our work. Client feedback shapes our practice in several key areas: enhancing

service quality, fostering stronger client relationships, managing our reputation effectively, and informing our strategic choices.

We encourage and actively solicit feedback. This process is not only about gathering opinions but is focused on a thorough analysis and incorporation of this feedback into our service delivery for the long term.

It is also important that this feedback is received frequently and in a secure yet transparent environment. We constructively utilise this information to motivate our professionals and to enable them to focus their efforts on service excellence. ^{ALB}



Ashish Razdan,
partner,
Khaitan & Co

Seeking feedback on the services delivered by us to major clients has been a regular feature of our client relationship programme and it has proved to be invaluable as a tool to deepen our engagement with them. It serves us both in taking stock of how well we have performed in meeting or exceeding the clients' expectations and also course correct or intervene in real time where there may be an expectation mismatch. Allowing the clients to use this method is immensely helpful in making them feel that we are invested in the relationship and, over time, helps develop a closer-knit working relationship with them.

Key members of the firm's management team looking at client engagement and key relationship partners are expected to keep an eye on the health of the client relationship by checking in regularly with the key stakeholders at the clients' end. While this initiative started with a clear focus on the firm's major clients, it is now increasingly being implemented with many other clients with whom we wish to invest in creating a long-term engagement. To this extent, identifying the key firm representatives or relationship partners is the first step, followed by instituting a detailed process with regular check-ins and feedback sessions on ongoing matters. ^{ALB}