

NEWS HIGHLIGHTS

Digital India: Government allots e-payment targets to ministries and states

Individuals to get bankruptcy protection soon

Paying bills on time can get you loans easily

Government mulls insurance cover for digital transaction frauds

Today's View

Litigation Financing

As per Burford Capital's Litigation Finance 2016 Survey, 28% of the law firms utilized litigation finance, up from 7% in 2013. In an intense environment of soaring international legal disputes involving corporates and businesses, investors are now acknowledging Litigation Finance as a niche business opportunity. A new asset class has emerged from this newly carved out niche – it deals with funding of legal expenses by a third party in return for a share of the filed lawsuit claim.

With minuscule interest rates in some developed countries, investors have been exploring alternate investments like litigation finance. Since the quantum and frequency of litigations is most often not directly correlated with economic changes, litigation finance can tide over economic downturns. Additionally, it provides people with legal expertise an opportunity to monetize their own experiences without stepping into the courtroom.

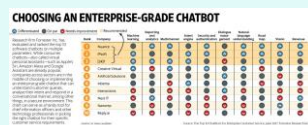
This type of funding can take many forms such as, Pre-Settlement Plaintiff Litigation, Surgery Financing Advances for Lawsuit Plaintiffs as well as Post-Settlement Funding for Plaintiffs and Attorneys. In the U.S., **American Legal Finance Association (ALFA)** acts as a trade association of litigation financing companies to ensure fair, ethical and transparent funding standards within the legal funding industry. **LawCash**, in operation since 2000, has pumped in legal funding for around 100,000 cases.

Beyond litigation financing pure plays, Fintech start-ups, including crowdfunding platforms like **Lexshares**, have made litigation finance more accessible to the general public by enabling them to invest in small personal injury litigations. **Mighty**, another marketplace offers a common platform for investors and plaintiffs, along the lines of P2P Lending platforms like **lendbox**, **faircent**, **i2ifunding** etc. And these alternative investment instruments offer a meaty ARR ranging between 20-30% annually, much higher than traditional investments (in most cases).

OTHER INTERESTING NEWS

Choosing an enterprise-grade chatbot

A companies across sectors are in the middle of choosing or implementing an enterprise-grade chatbot that can understand customer queries, analyse their intent and respond in a conversational manner, among other things, in a secure environment.



Research firm Forrester Inc. has evaluated and ranked the top 10 software chatbots on multiple parameters. This chart can serve as a handy tool for chief information officers and other technology professionals in picking the right chatbot for their specific customer service requirements.

Source-Mint

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Date- 24th July 17

However, back in India, litigation funds are yet to be registered. Such funds, once registered, could provide the much needed thrust to dispute resolution in India. Genuine and suffering claims and claimants would be able to then access funds as and when required. As a positive step in the legal space, Indian firms like **Vakilsearch**, **Legalraasta**, **Letscomply** and **Indiafiling** are focused on digitising legal services like registration and incorporation of companies, tax consulting including tax filings, GST registration, etc. These firms could potentially venture into litigation financing closing the entire lifecycle of legal disputes.

However to mitigate any concerns around conflict that could potentially arise, financial and legal regulators must step in to implement a broad framework for such funding in order to ensure adequate protection of funds, investors, and litigants.

Today's News

Digital India: Government allots e-payment targets to ministries and states

The finance minister announced an ambitious target of 25 billion transactions by March 2018, i.e. the end of this financial year. And in order to reach there in a systematic manner, the government has now allotted targets to specific ministries and states depending on their on-ground reach.

Overall, the targets have been split among 35 ministries, 29 states and 7 Union territories. Ministries have been chosen depending on the size of their physical footprint across the country.

Source-BGR

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GST system is robust: Centre

The Goods and Services Tax (GST) system is not exposed directly to the Internet and has a dedicated round-the-clock security operations command centre in its network against cyberthreats, the government has told the Rajya Sabha.

To a question, the government said on Friday that any interaction with the system was only through APIs (application programming interfaces). It had a multi-layered security architecture and had operational segregation through use of a virtual local area network.

Source-The Hindu

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Individuals to get bankruptcy protection soon

The government has begun work on laying down a process for individuals to be declared bankrupt, which will help them deal with a financial crisis rather than be bogged down by it. The rules being framed will help a defaulter repay the money in a structured way, and not be forced to cough it up to banks in one go.

While the Insolvency and Bankruptcy Code (IBC), enacted by Parliament last year, provides for individuals to be declared bankrupt, so far, action has been confined to the corporate sector and start-ups.

Source-The Economic Times

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This News Letter has been prepared with the assistance of Pankaj Tadas and Manish Kulkarni

Paying bills on time can get you loans easily

The role alternative data—apart from financial behaviour—in this process in being discussed increasingly, especially at the regulatory level. This could mean that your social media data, the monthly telephone and utility bills, even annual insurance premiums could impact your credit history.

However, most people only get to know about their credit scores or credit health when they approach financial institutions for loans.

Source- Mint

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Uber launches UPI-linked payment services on Android

Taxi aggregator Uber on Thursday announced third payment option for their Android app users, apart from cash, e-wallet and credit/debit card with the integration of the Unified Payment Interface (UPI) payments platform.

Through an announcement made from Uber India's official twitter handle, the US-based firm revealed that the rollout will be done in stages, with the pilot version being enforced presently. The option is currently available on Android, and will soon be launched on the iOS platform as well.

Source-IBC World News

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How Artificial Intelligence benefits companies and ups their game

AI is fast turning out to be the key utility of the technology world. AI's latest breakthrough is being propelled by machine learning—a subset of AI which includes abstruse techniques that enable machines to improve at tasks through learning and experience.

Although in its infancy, the rapid development and impending AI-led technology revolution are expected to impact all the industries and companies (both big and small) in the respective ecosystem/value chains.

Source- Mint

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Government mulls insurance cover for digital transaction frauds

The government is "very seriously" considering the recommendations of the Chandrababu Naidu committee on digital payment security, including insurance cover for the victims of fraudulent digital transactions, a union minister said.

The report suggests that in order to address the apprehension of the general public in adopting digital payments, the scheme should target low-ticket transactions to cover the vulnerable sections like small merchants, farmers etc.

Source-The Economic Times

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Rs12,000 crore worth of digital transactions carried out: Ravi Shankar Prasad

There were around Rs12,000 crore worth of digital transactions every year and the number of fraudulent transactions among these was low, government said in Rajya Sabha.

According to the data for March, April and May 2017, the number of fraudulent transactions is between 0.005% and 0.007% of the total number of transactions.

Source-Mint

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Cyber threats may wreak havoc by 2020

India's cyber security chief Gulshan Rai told Parliament's finance standing committee recently that cyber threats had evolved swiftly from viruses and "nuisance" attacks in the early 2000s to sophisticated malware and advanced denial of service, and could pose the risk of severely destructive attacks by 2020.

The government - the Centre and states - is the main target of cyber-attacks, driven by motives ranging from theft, espionage and data extraction to counterfeiting.

Source-The Economic Times

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Amazon offers \$70-\$80 million for FreeCharge

Online ecommerce giant Amazon has made a late bid for FreeCharge, the digital payments platform owned by troubled ecommerce marketplace Snapdeal, a development that comes at a time when the Gurgaon-based company is also in discussions to sell its payments unit to Axis Ban and telecom operator Bharti Airtel's mobile wallet Airtel Money.

According to two sources aware of the development, Amazon's bid is in the range of \$70-\$80 million (Rs 466 crore- Rs 532 crore).

Source-The Economic Times

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First batch of ten Indian startups graduates from US Embassy's 'Nexus Incubator'

The first batch of 10 Indian start-ups, on Friday, graduated from the "Nexus Incubator", a collaboration between the University of Texas and the US State Department, during at event here.

The startups were chosen from over 113 applications from across the country and underwent an intense 10-week training programme that featured workshops led by expert speakers and industry leaders from India and the US.

Source-The News Minute

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