FOREIGN LAW FIRMS IN INDIA

One of the most conspicuous and significant outcome of the process of globalization and liberalization has been the opening up of economies of evidently all the countries around the globe. There has been mounting pressure from members of the WTO for opening of the legal services sector in India. On the other hand, there has been a strong apprehension of the Bar Association of India and particularly the Bar Council of India in permitting foreign law firms to enter India as according to them, it may lead to the shrinking of opportunities available to the domestic lawyer.

As India is a signatory to the General Agreement on Trade and Services (GATS), it has an obligation to liberalise its legal sector. It has not been able to make much headway on this due to stiff opposition from Indian lawyers' representative bodies Bar Council of India (BCI) and Society of Indian Law Firms (SIFL) and legal cases against allowing foreign law firms to practice international law in India.

The Indian Legal Profession

The legal profession in India is one of the most lucrative and cumulative profession, with approximately more than 6 million advocates practicing in this arena. The chief players providing service in this sector includes individual lawyers and majorly family run law firms. It is pertinent to note here that the right of an advocate to practice law is not a fundamental right but a statutory right; as it is governed by the provisions of the Advocates Act, 1961 (hereinafter to be known as ‘the Act’) and the Bar Council of India Rules, 1975 (hereinafter to be know as ‘the Rules).

The Act, states that from the appointed day, there will be only one recognized class of persons entitled to practice the profession of law; that is advocates. Section 2 (1) (a) of the Act defines an advocate as an advocate entered in any roll under the provisions of the Act. To be clearer, a person who has a law degree recognized by the Bar Council of India and who is enrolled with any State Bar Council is an advocate entitled to practice law in India. It is also to be noted that the Rules may prescribe a class of or category of persons entitled to be enrolled as advocates, also the conditions subject to which an advocate must have the right to practice and the

circumstances under which a person must be deemed to practice as an advocate in a court.

It is worthwhile to note here that advocates are divided, broadly, into two groups: senior advocates and other advocates. Moreover, unlike United Kingdom, where the legal services are rendered by two classes of legal professionals — barristers and solicitors; in India there is no such classification per se. The role of the barrister comprises of litigation, i.e. representing clients in the proceedings of the courts and giving specialist legal opinions. Solicitors, conversely, advice their clients on an array of matters affecting their legal rights, including transactional work; but their work does not include litigation. In India, these two roles are fused; an advocate enrolled with the Bar Council of India (the body that regulates the legal professional) is competent to perform both the services and he often does so.

Moving forward, it is submitted that the legal profession in India, which is viewed as a 'noble profession', is not free from the shackles of regulations. In a number of judicial pronouncements delivered by the Honourable Supreme Court of India, these regulations have been justified on the ground of public policy and dignity of profession.

It is pertinent to mention here that over a past decade there has been a sea change in this profession and it has become very competitive andk promising. It may be said that the credit, though not absolutely, goes to the processes of globalization and commercialization, which has, by enlarging and modifying the Indian economy, resulted in an enormous demand for professional legal services all around the Indian nation. Needless to say, with the advent of globalization and the consequent development of corporate and other allied laws and regulations, the importance of corporate legal advice from lawyers has evolved into a much bigger practice than litigation practice and consequently has led to the establishment of overwhelming number of law firms.

Unfortunately, though the demand in the Indian legal sector is met by the domestic lawyers, there is still a dearth of proficient professional legal

services, due to the lack of fierce and adroit competition. At this juncture it would be worthwhile to take notice of the following observation made by the Hon'ble Justice Krishna Iyer as early as in the year 1976 in the case entitled *Bar Council of India v. M V Dhabolkar* – he noted *"the law is not a trade, not briefs not merchandise, and so the heaven of commercial competition should not vulgarise the legal profession"*.
However, contrary to the abovementioned observation, it is humbly submitted that there has been a sea change in the erstwhile circumstances, not just in western countries but even in our homeland, and the never ending processes of commercialization and globalization have resulted in the integration of the domestic economy of the countries with that of the world economy, which in turn has resulted in showing the signs of trade facet of legal profession all around the globe.

The controversy

The issue of liberalizing the Indian legal sector by allowing foreign firms to have an access to the Indian legal market is apparently not a new one and definitely has never been free from controversy. The opening up of the Indian economy in the early 90's led to the entry of the foreign law firms in India. First cases that came to the limelight were opening up of liaison offices by ***Ashurst*** of UK and ***White & Case and Chadbourne & Parke*** of the US. These firms were granted permission under the Foreign Exchange Regulation Act (FERA) to start liaison activities only and not active legal practices.
However, the foreign firms and the foreign governments (mainly that of United States and United Kingdom) were not content with this reception and demanded more relaxation in the laws and policies, governing the subject of practice of the profession in India by the foreign firms and lawyers. From here started a series of protests by the domestic lawyers and law firms against the move of the Indian Government in allowing the foreign firms to set up liaisons offices in the country and eventually led to agitations thwarting any further relaxation in the matter of entry of foreign law firms.

Simultaneously, in 1995, Lawyers' Collective, a public interest trust set up by lawyers to provide legal aid, moved Bombay High Court under section 29 of the Advocates Act, challenging the right of foreign law firms to "practice law" in India. It is submitted that the crucial question which needed the kind attention of and adjudication by the High Court was whether foreign law firms could set up offices in India and whether the term "practice the profession of law" extends beyond appearing before a court to advising clients and drafting legal documents.

It was vehemently contended by the Petitioners in the said Petition that the Act provides that only advocates enrolled in India are entitled to practice the profession of law in India. It was further argued that the term "practice the profession of law" would include not only appearance before courts and giving legal advice as attorney, but also drafting legal documents, advising clients on international standards and customary practices and transactions.

Conversely, it was argued by the Central Government, who was the Respondent in the said Petition that Advocates Act only prohibits foreign lawyers from appearing before a court and not form advising clients and drafting legal documents. The Bombay High Court in the said case, observed in an interim order, "*In our view, establishing a firm for rendering legal assistance and/or for executing documents, negotiations and settlements of documents would certainly amount to practice of law*." Thus, the Hon'ble High Court very aptly expanded the scope of the expression 'practice of law'; thereby, including within its scope the practice of rendering legal assistance, executing documents and negotiating and settling the same.

Moreover, the Court also held that the Reserve Bank of India's (RBI) license did not amount to a permission to practice law, but only to establish a liaison office to act as a communication channel between the head office and their parties in India. The High Court further ordered the government to conduct an inquiry into the issue and take appropriate action against the firms. This however, was overruled recently by the Bombay High Court which held that permissions granted by the Reserve Bank of India to the foreign law firms as mentioned above in the early nineties to set up liaison

office in India, is not valid in law. The court also held that practice of law in India, both non-litigious and litigious, requires prior enrolment under the Indian Advocates Act, 1961. However, notwithstanding the said sub - judice litigation and the resistance accorded by the domestic lawyers, many other foreign firms have established their presence in India by entering into best friends agreements with the domestic law firms and are outsourcing their legal services to private as well as governmental organization. For instance, firms like ***Allen & Overy*** (advises on power projects, particularly in the oil & gas sector; acts for Indian banks, besides doing advisory work for corporate houses in India) , ***CMS Cameron***(advised the government of Orissa on privatization of the state electricity system), Denton Wilde Sapte (advises Indian companies like Tata Electric and Gujarat State Energy Company) , ***Linklaters*** (represented clients in their disputes with the Maharashtra State Electricity Board), ***Baker and McKenzie***, have been amongst the most active foreign law firms in India for the past two decades. It is submitted that all these firms have formidable experience in IPR, infrastructure and energy laws, domestic and cross border transactions, project financing, TMT, FDI, arbitration and financial laws.

The regulations hampering the development of the Indian legal sector.

The first and the foremost legislative enactment which, according to many, seeks to hinder the development of the Indian legal sector is the Advocates Act Passed in the year 1961 by the Parliament of Republic of India. The Act seeks to regulate and consolidate the laws relating to legal practitioners and at the same time also provides for the constitution of Bar Councils and an All - India Bar. Next in the line is the Bar Council of India Rules, 1975, which also, according to many, has left no stone unturned in impeding the liberalization of the sector. It is pertinent to mention here that there exist certain provisions in the Act and the Rules which blatantly imposes restrictions on *trade oriented legal service sector* by not just precluding foreign players from practicing law in India but also by creating heavy restrictions for the domestic players as well. These restrictions have no doubt profoundly hampered the rate of development in the sector and the interest of patrons of legal services.

It would be worthwhile to summarize the provisions which preclude the liberalization of the legal sector in a point form for a better understanding:

1. The first and the foremost provision which aims at shackling the liberalization of the legal sector in India is Section 24 of the Advocates Act. Section 24 of the Act provides that only advocates recognized under the Act can practice law and further mandates that a person shall be qualified to be admitted as an advocate on a State roll, if he fulfills the following conditions, namely: -
    - He is a citizen of India (Provided that subject to other provisions contained in this Act, a national of any other country may be admitted as an advocate on a State roll, if citizens of India, duly qualified, are permitted to practice law in that other country) ;
    - He has obtained a degree in law from a law school recognized for the purposes of this Act by the Bar Council of India.

Thus, on a plain reading of the said Section 24, it becomes quite evident that the Act stipulates that foreign citizens, other that the citizens of the Reciprocating Country, have no right whatsoever to practice the profession of law in India.

2. Secondly, in India there is an absolute bar on advocates from advertising and soliciting for any purpose and indicating area of specialization . It is submitted that the bar on advertising has created a situation which is adverse to the interest of the patrons of this legal service, since non – advertising precludes the consumers from making an informed choice. Moreover, the restriction on domestic firms and advocates from advertising their area of expertise has also hampered the healthy competition which would otherwise have prevailed.

3. Thirdly, in India only a natural person can practice law and the same is apparent from the combined reading of Sections 24, 29, and 33 of Advocates Act. As a result, there is no scope for an artificial juristic

body to act as a lawyer. In other words, a legal service provider cannot be incorporated as a company and still continue to practice the profession of law in India, as per the provisions of Advocates Act, 1961.

4. Fourth, the Rules in clear and unequivocal terms prohibits advocates from entering into partnership or any other arrangement for sharing remuneration with any person or legal practitioner who is not an advocate. In other words, lawyers are precluded from entering into any kind of co-operation with non-lawyers.

Moving forward, it is interesting to note that the Report of the High Level Committee on Competition Policy and Law under the Chairmanship of Shri S.V.S. Raghavan has very categorically summed up the effect of the existing regulatory system in professional services as follows: "*... the legislative restrictions in terms of law and self-regulation have the combined effect of denying opportunities and growth of professional firms, restricting their desire and ability to compete globally, preventing the country from obtaining advantage of India's considerable expertise and precluding consumers from opportunity of free and informed choice"*.

It is to be noted that the restraining provisions laid down above, not just prevent the liberalization of the existing legal scenario and imposes shackles on lawyers from having a healthy legal practice, but at a same time also proves to be adverse to interests of the patrons of legal services. Moreover, it is to be noted that the provisions of the Act, which seeks to impose 'artificial entry barriers', is in contravention of competition policy and the Competition Act, 2002.

The Competition Act, 2002, provides for several factors that shall be considered in deciding whether an agreement has a considerable adverse effect on competition. These factors include creation of barriers to the new entrance into the market, accrual of benefits to consumers, improvements in production or distribution of goods or provision of services and lastly promotion of technical, scientific and economic development by provision of services. It is to be noted that the Raghavan Committee on Competition has very aptly observed that there is an intention on the part of established

elements of legal profession to limit competition by restricting new entrants.

Thus, the legal regulations sought to be imposed by the Act and the Rules on expanding nature of legal services sector has had an adverse effect on healthy competition in India and in turn the factors provided under the Competition Act, 2002.

The attempt of liberalization of the legal sector

It is interesting to note that the legal sector all around the world is conventionally the most orthodox and regulated sector. Thus India is not an exception to the same. In other words, access to foreign nationals to this sector is unreasonably restricted. The evident rationale behind the protection of this noble profession from intrusion stems from the fact that the very foundation of this profession is derived from conservative and traditional statutes, which have been framed and enacted with a preconceived mindset of precluding the foreign talent from participating in the domestic legal market. Nevertheless, it is reiterated that the never ending processes of commercialization and globalization have resulted in the integration of the domestic economy of the countries with that of the world economy, which in turn has intensified the demand for liberalizing the legal sector and thereby allowing the foreign players to explore opportunities in these markets.

The situation prevailing in India is the same as described above. However, there have been protests lately, both at the international as well as at the national level, against this existing state of affairs, which has undoubtedly forced the Government of India to give the said matter a careful consideration. The 15th Law Commission of India (, headed by Shri Justice B.P. Jeevan Reddy), had taken up a study on entry of foreign legal consultants and liberalization of legal practices in India, in keeping with the guidelines evolved by the International Bar Association (IBA), and General Agreement of Trade in Services (GATS), which is an organ of World Trade Organization (WTO). The Law Commission had, in its Working Paper, pointed out that India was a party to the General Agreement on Trade and Services (GATS) and within a period of five years from January 1, 1995, it

would be under an obligation to enter into successive rounds of negotiations periodically with a view to achieving a progressively higher level of liberalisation which includes free trade and services without regard to national boundaries.

Moreover, the Law commission indicated that the Bar Council of India had to choose appropriate model, suiting conditions of our country, so that appropriate amendments could be made in the Advocates Act, 1961 which would arm Bar Council of India with necessary powers to meet the challenges ahead. Further, it is interesting to note here that the Law Commission had forwarded its Working Paper to the Bar Council of India, the Bar Association of India, the High Court Bar Associations, Law Secretaries of States, National Law School of India University, Ministry of Commerce, Ministry of Law and some eminent members of the Bar for eliciting their views on various proposals made in the Working Paper. However, unfortunately no response has been received so far from most of the organisations, including those, who are now agitating on the proposals made in the Working Paper of the Law Commission.

Furthermore, it is interesting to note here that the former Prime Minister, ***Dr Manmohan Singh***, had lately, at the International Congress and Exposition on Trade in Services, which was held in New Delhi, pitched for a more open legal sector in the country, stating that the expertise in international law, commercial law and third country law is necessary as the Indian economy increasingly integrates with the global economy. He also indicated that the Government would soon set up a high level group in the Planning Commission to look into all aspects influencing the performance of the services sector and suggest policy measures that would need to be taken to sustain its competitiveness in the coming years.

Lastly, it is pertinent to mention here that in the year 2007 the Law Ministry planned for the phased entry of foreign firms. In the first phase, foreign law firms will be allowed to advise clients on laws in other countries. This could involve giving of advice to the multinationals working in India on legal implications in various countries on account of developments taking place in India. In the next stage, foreign law firms will be allowed to enter into partnerships with Indian firms. Such partnership may provide consultancy services to Indian clients on issues pertaining to

Indian law, but the overseas firms will not be allowed to appear before courts. Moreover, the market access for practicing Indian law in a full-fledged manner will be considered only after these two stages.

Analysis of the Entry

Furthermore, before highlighting the advantages or disadvantages of the anticipated entry of the foreign law firms into the Indian legal service market, it would be of utmost importance to understand the nature of the work which the foreign law firms will be dealing in, since much of the misunderstanding with regard to the entry of foreign law firms, is caused by the misinformation circulating around us. To be more practical, the main work which the foreign law firms will transact in India will be that of advising/soliciting clients on an array of legal issues, of both international as well as of domestic nature, and/or drafting legal documents. In other words, the foreign firms will chiefly concentrate on corporate and/ or commercial transactional work.

Conversely, it can be asserted that the foreign lawyers might not appear before the court of law for the purpose of representing their clients in the course of whether civil proceedings or criminal trials. The rationale for the said assertion stems from various facts, including, language and cultural problems, dearth of knowledge of the legal system of the land and also because of dearth of trust of and support from the domestic litigants, on account of absence of experience, as regards litigating in the Indian courts.

As Alison Hook, Head of the Law Society's International Division states: "*An English lawyer appearing in an Indian court is complex matter. He would lose the case. He will have language and culture problems. All that we have ever asked for is to allow British law firms to complete transactions. This would be good for greater foreign investment in India*". Similarly, Mr. Ritvik Lukose, Vice President of Rainmaker T&R, a leading legal recruitment and training firm, maintains that *"foreign firms might not be interested in litigation, as it is not lucrative enough and requires thorough study of the legal system of the land"*.

Thus, it can be safely deduced from the preceding paragraphs that since the majority of lawyers in India are involved in litigation, it is utmost unlikely that they will be adversely affected by the entry of foreign law firms.

The advantages of entry

The rationale that could be vehemently advocated in allowing foreign law firms to function and transact work in India is that the foreign firms will bring with them a fresh pool of professionalism, competence and expertise, which the legal profession here has incessantly failed to develop. In other words, permitting the entry of foreign law firms in India will certainly bring in competition and raise the standards of service in the legal sector, which most Indian law firms and lawyers are not ready to face. Moreover, without prejudice to the preceding paragraph, it would be pertinent to mention here that the advantages of entry of the foreign law firms could also be appreciated in the light of the credible surge in foreign investment and numerous benefits to the patrons of the legal services and to the aspiring lawyers.

In the age of consumerism and competition, consumer's right to free and fair competition is paramount and cannot be denied by any other consideration. Trade in legal services focuses on benefits accruing to consumers from legal services sector, particularly the quality of service available with respect to particular fields. It is to be noted that with the advent of foreign law firms in India, the patrons of legal services will be highly benefited, on account of more available options, the resultant competition and accessibility to a fresh pool of professionalism, competence and expertise, which the legal profession here has incessantly failed to develop.

It is not out of place to mention here that in, In Re Sanjiv Dutta, Deputy Secretary, Ministry of Information and Broadcasting, the Supreme Court Observed that, "*...some of the members of the profession have been adopting perceptively casual approach to the practice of the profession...they do not only amount to contempt of court but to the positive disservice to the litigants*."

Further, it is to be noted that with the arrival of the foreign law firms there

will be a tremendous surge in employment avenues for the Indian lawyers. At the same time, the arrival will enable the junior lawyers grab a handsome pay package and law student's easy access to internship programs; which is evidently not their catch in the present scenario. "*Foreign firms in India shall not really eat into the pool of available jobs. They would mainly recruit law school graduates and in the process provide an opportunity to them to gain a first-hand experience in cross-border and even domestic commercial transactions, that will be the mainstay of such firms*," says Prof HD Pithawala, an eminent advocate, solicitor and professor at Government Law College (GLC), Mumbai .

Furthermore, it's interesting to note here that the law schools and colleges in India have welcomed the entry of foreign legal firms; as they feel that legal sector cannot be barred when India is opening up other sectors. In fact, law schools and colleges argue that the government's proposed move in this regard would boost competition in the legal sector. It would be worthwhile to note here that Dr A Jayagovind, vice-chancellor, National Law School of India University, Bangalore opines "*As the bar council of India itself is opposing the move, I cannot commend on the impact of the entry of foreign legal firms on the profession here. On the education system, it would be a welcome development. Anything that improves competition would be a welcome development*".

Similarly, Dr Manoj Kumar Sinha, director, Indian Society of International Law and secretary, All India Law Teachers' Congress, says "*Allowing foreign private law firms in India will certainly help the lawyers get better job opportunities and break the monopoly of a handful private law firms working in India. It is equally important that the government must put enough safeguard to protect the interest of the Indian legal community*".

The disadvantages of entry

"We must take care that globalization does not become something people become afraid of" - ***Gerhard Shcroeder***

As regards the disadvantages, the most important one that needs to be brought to the attention of the readers is the possibility of the domestic law

firms, in light of the existing unfavourable circumstances, being overpowered in performance and revenue by its foreign counterparts. The law firms situated in countries like United Kingdom, United States and Australia have overwhelming lawyers force, operate on International scale and primarily function as business organizations designed to promote commercial interest of their giant client corporations. The size, power, influence and economical standards of these large international law firms would definitely affect the share of the domestic law firms. It can be said that the Indian law firms cannot, at the present scenario, match, howsoever far they may stretch it, the foreign law firm's size, power and most importantly economical standard.

It is pertinent to note here that the non – capability of the Indian law firms to compete with their foreign counter parts, stems from the various unnecessary and frivolous restrictions, which the domestic law firms here are subjected to; and the same restraints have been explained hereinbefore. In brief, the Indian law firms are statutorily precluded from advertising and thus indicating their area of expertise. Moreover, the domestic law firms are prohibited from raising capital and are also precluded from entering into any kind of co-operation with non-lawyers. Foreign firms, on the other hand, are not shackled by such limitations.

Further, Mr. Saradindu Biswas, an ex-vice chairman of the Bar Council of India, feels that Indian lawyers need more professional grounding and knowledge to compete with foreign lawyers. "*Be it in appearance, documentation or in-depth knowledge about law, the Indian lawyers suffer some serious shortcomings. Unless we make our law teaching institutions more responsive to today's needs, it may not be possible to compete with foreign lawyers who want to come and open practice here*," he adds.

Similarly, Mr. Cyril Shroff, Managing Partner, Amarchand & Mangaldas & Suresh A Shroff & Co says, "*The domestic law firms which are not strong enough to face the competition, many of them collapse and they get bought out for ridiculously low values and as the result the domestic players, they shrink in size*."

Furthermore, expressing his reservations on the government move, Mr. AS Chandioke, President, Delhi High Court Bar Association, says, "*The bar association has asked the government on several occasions to change the legal curriculum and suggested that a uniform legal course should be brought in the country. If we are to compete with foreign firms, we need a level-playing field*." He further pointed out, "*Abroad, law is a business, not a profession and lawyers are allowed to have websites. Before you open up the legal profession, there is need to introduce advance-level legal courses in the country. We have enough talent in the country to beat anyone in the world. We just need safeguards and training. If their lawyers are allowed in, it may raise some jobs hopes, but on the whole it will lead to exploitation of our legal services*."

Thus, it can be safely asserted that liberalization without first putting Indian firms on an equal footing will be unjust and will put them at a competitive disadvantage.

DEVELOPMENTS IN CHRONOLOGICAL ORDER

Early 1990s	White and Case LLP, Chadbourne & Parke LLP and Ashurst were granted permission by RBI under the Foreign Exchange Regulation Act 1973 (FERA) for setting up of liaison offices in India.
January 1, 1995	General Agreement on Trade in Services (GATS) came into existence obligating countries to open up the service sector to Member Nations. India is a signatory to the GATS.
1995	Lawyers collective files a petition in Bombay HC against the opening of liaison offices in India by Foreign Law Firms
1995	Bombay HC judges held that the RBI licence did not provide permission to 'practice law', but only to establish a branch office to act as a communication channel. Post the decision, White & Case and Chadbourne & Parke closed their

	India offices however UK-based Ashurst stayed behind.
1999	Bombay HC stated that the RBI should not grant permission to foreign law firms to open offices in India.
2005	Reports of opening of a law firm in Delhi by a Nigerian national
January 18, 2007	The Society of Indian Law Firms (SILF) and Britain's Law Society signed a MoU regarding cooperation in the legal profession.
November 18, 2007	In a joint conference of the Bar Council of India (BCI) and State Bar Councils, they requested that the Centre shouldn't take a final decision without consulting with them.
November 26, 2007	British Indian Lawyers Association objected to the opening of the legal industry for foreign law firm without ensuring reciprocal entry clearances for Indian lawyers into the UK.
January 12, 2008	The Limited Liability Partnership (LLP) Bill was passed by the Indian Parliament.
December 16, 2009	Bombay HC ruled out that the 'practice of law' as mentioned in the Advocates Act includes litigation and non-litigious work which cannot be carried out by foreign law firms.
April 2010	A writ petition was filed in the Madras HC against entry of foreign law firms.
September 28, 2010	Law Ministry issued a press release reiterating BCI's stand to not permit foreign law firms into India.
April 1, 2011	Ashuruts entered into a best friend referral

	arrangement with Indian Law Partners (ILP).
February 21, 2012	Madras HC ruled against the practise of Foreign Law Firms in India without enrolling with the BCI under the Advocates Acts. However, it allowed the foreign lawyers to 'fly in and fly out' on a temporary basis.
April 2012	BCI appeals against the judgement of the Madras HC allowing 'fly in and fly out' of foreign lawyers.
July 2012	SC directs RBI to refrain from granting permission to foreign law firms.
April 26, 2014	SC Justices SS Nijjar and PC Ghose and retired judge AK Ganguly stated that foreign lawyers should be allowed to work on arbitrations in India to make domestic arbitration more attractive and to unburden the courts.
September 2014	UK law minister Shailesh Vara spoke in favour for the entry of foreign law firms to practise non-Indian transactional law in India during his visit to India.
November 2014	SILF decides favour the entry of foreign law firms in India.
December 2014	A source from the ministry of commerce stated that the commerce ministry is working on a proposal for a phased opening up of the legal sector in non-litigious services and international arbitration.
January 6, 2015	SC adjourned the case relating to the entry of foreign law firms in India. The next date of hearing is on February 27.
January 8, 2015	Meeting of the Inter-Ministerial Group (IMG) on Services under the Chairmanship of the

	Commerce Secretary to consider a Roadmap for Legal Reforms in India.
February, 2015	Joint meeting of Bar Council of India (BCI) and Society of Indian Law Firms (SILF

Conclusion

In light of the ongoing wave of globalization and liberalization; the incontrovertible fact remains, that the need of liberalizing the Indian legal sector is unarguable and beyond doubt. In my opinion, it is extremely affirmative of the view that the advent of foreign law firms in our country, will not just favourably add up to our foreign reserves and in due course the GDP, but, will also beneficially result in surge in employment for the law graduates being debutants to the legal profession (both litigation and corporate), in terms of better exposure and an handsome pay package; will also prove advantageous for the law students, in terms of easy access to internship programs; and most importantly will be in the interest of the domestic patrons of legal services, in terms of availability of better professional services, being the direct outcome of the consequent boost in competition in the legal market. However, before the foreign law firms are given the green signal for establishing their base in our country, it is of utmost importance, that the Government should revamp the state of affairs, existing in the legal sector, in order to do away with the unreasonable restrictions (discussed above), which undisputedly impose shackles on the healthy development of our country's legal profession. The reason being that without the eradication of the unnecessary restrictions (embodied in our anachronistic laws), which seek to hamper the growth rate of our domestic law firms; the domestic firms will not be able to efficiently and productively meet up with the challenge which will be posed by their foreign legal counterparts.

Moreover, on the same principle, It is important that the entry of the foreign law firms in our nation, should be coupled with the enactment of an impressive legal framework and also with the shaping of a promising regulatory mechanism, which will ensure that the arrival of the foreign law firms will result only in health competition in the domestic legal market

and not in the annihilation of our domestic law firms. It is interesting to note here that the 15th Law Commission in its Working Paper has itself suggested some of the safeguards which could be adopted. In this connection, it has referred to article XIX(2) of the GATS which allows the process of liberalisation to take place with due respect for national policy objectives and level of development of individual members, both over-all and individual sectors.

Lastly, I would like to conclude that whether today or tomorrow; the opening up of doors of the domestic legal market to competition from international legal market is rather inevitable, so therefore, instead of offering resistance to the entry of foreign law firms, a sincere attempt should be made by all (being the Government, the domestic law firms and the legal practitioners) to rework the situation, in order to derive utmost benefit from it. However, it should be done on a reciprocal basis and other countries should also permit the Indian lawyers to practice on their soil in a similar manner as they are permitted here in India.