

Law360

India Considers Welcoming UK Law Firms

By Erin Fuchs

Law360, New York (September 27, 2011, 7:06 PM ET) -- The U.K.'s professional body for solicitors said Tuesday that the U.K. was hashing out a plan with India to allow British firms to open offices there, nearly two years after a Mumbai high court affirmed that India's doors were closed to foreign firms.

The Law Society of England and Wales and Bar Council of England and Wales both met with the Bar Council of India to create a "road map" to allow the U.K. to access India's legal market, the Law Society announced on Tuesday.

"We are very pleased to have agreed [on] a way forward with our colleagues at the Bar Council of England and the Bar Council of India," said John Wotton, president of the Law Society, which represents solicitors in England and Wales. "We look forward to reaching an agreement which has significant benefits to both sides."

India Law Minister Salman Khurshid and U.K Justice Secretary Kenneth Clarke decided Monday to allow the legal bodies to collaborate on bringing U.K. firms to India and vice versa, the Hindustan Times reported Tuesday.

"We understand the U.K. firms want to open offices in India for nonlitigation purposes — mainly drafting of business contracts, deeds, agreements and other similar works ... We will negotiate with our U.K. counterparts to work out a principle of reciprocity, which will benefit both sides," Bar Council of India Chairman Ashok Parija said, according to the Hindustan Times.

Foreign firms have always been essentially banned from having offices in India, aside from those that simply existed for marketing purposes, according to Paresh Trivedi, an attorney with [Proskauer Rose LLP](#) who follows Indian law.

A December 2009 decision in a high court in Mumbai affirmed an existing interpretation of India's regulations that foreign firms cannot render advice in India — even if that advice is on non-Indian law, Trivedi said.

That decision invalidated licenses that the Reserve Bank of India had given to New York-based firms [White & Case LLP](#) and [Chadbourne & Parke LLP](#) and London-based Ashurst LLP to open offices in India that did not involve litigation.

In invalidating the licenses, the Mumbai high court ruled that a 1961 law requiring legal practitioners to belong to the nation's bar councils applied to practitioners that were not actually practicing before India's courts.

At the time, an Ashurst spokesman said opening up the legal market would benefit India's legal community and would fuel the growth of international business there.

The development this week that India is considering allowing U.K. firms to practice there does not necessarily signal a sea change in its legal industry, Trivedi said Tuesday.

"Those types of discussions have been going on for probably 15 years," Trivedi said. "They have agreed to continue to agree to talk."

--Editing by John Quinn.