



BCI Allows Foreign Lawyers to Practice in India

Prelims: BCI, Supreme Court, International Commercial Arbitration, Advocate Act 1961.

Mains: BCI Allows Foreign Lawyers to Practice in India.

Why in News?

Recently, the [Bar Council of India \(BCI\)](#) has notified **Rules for Registration and Regulation of Foreign Lawyers and Foreign Law Firms in India, 2022**, allowing foreign lawyers and law firms to practice in India.

- However, it did **not allow them to appear before courts**, tribunals or other statutory or regulatory authorities.

What is the BCI Decision?

- For over a decade, **BCI was opposed to allowing foreign law firms in India.**
- Now, the BCI has reasoned that its move will address **concerns about the flow of [Foreign Direct Investment in the country](#)** and make India a hub of **[International Commercial Arbitration](#).**
- The rules bring legal clarity to foreign law firms that currently operate in a very limited way in India.
- The BCI said it “resolves to implement these Rules **enabling the foreign lawyers and Foreign Law Firms to practice foreign law and diverse international law and international arbitration matters** in India on the principle of reciprocity in a well-defined, regulated and controlled manner.

What are the New Rules?

- The notification **allows foreign lawyers and law firms to register with BCI** to practice in India if they are entitled to practice law in their home countries. However, **they cannot practice Indian law.**
 - According to the Advocates Act 1961, **advocates enrolled with the Bar Council alone are entitled to practise law in India.** All others, such as a litigant, can appear only with the permission of the court, authority or person before whom the proceedings are pending.
- They shall be allowed to **practice transactional work /corporate work (Non-Litigious Practice)** such as joint ventures, mergers and acquisitions, **[Intellectual Property](#)** matters, drafting of contracts and other related matters on a reciprocal basis.
- They shall **not be involved or permitted to do any work pertaining** to the conveyancing of property, title investigation or other similar works.
- **Indian lawyers working with foreign law firms** will also be subject to the same **restriction of engaging only in “Non-Litigious Practice.”**

What is the Significance of the New Move?

- It is likely to pave the way for potential consolidation, especially for **firms dealing in the cross-border mergers** and acquisitions (M&A) practice in particular.
- Entry of foreign law firms will support in a big way the ambition of **India to be more visible and valuable in a global context**, especially on international trade and commerce.
- This will be a game changer for the mid-size firms and will also help the law firms in India to achieve **more efficiency in talent management**, IA, technology, domain knowledge in a global context, and management.

What is the Bar Council of India?

- The Bar Council of India is a **statutory body created by Parliament under the Advocates Act, 1961** to regulate and represent the Indian bar.
- It performs the regulatory function by **prescribing standards of professional conduct and etiquette and by exercising disciplinary jurisdiction** over the bar.
- It also sets standards for legal education and grants recognition to universities whose degree in law will serve as qualification for enrolment as an advocate.
- In addition, it performs certain representative functions by protecting the rights, **privileges and interests of advocates and through the creation** of funds for providing financial assistance to organize welfare schemes for them.

UPSC Civil Services Examination, Previous Year Question

Q. With reference to India, consider the following statements:

1. Government law officers and legal firms are recognised as advocates, but corporate lawyers and patent attorneys are excluded from recognition as advocates.
2. Bar Councils have the power to lay down the rules relating to legal education and recognition of law colleges.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans: (b)

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