

BCI ISSUES SHOW CAUSE NOTICES TO LAW FIRMS OVER CROSS-BORDER SET-UP

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Introduction

The Bar Council of India (the "BCI") notified the Bar Council of India Rules for Registration and Regulation of Foreign Lawyers and Foreign Law Firms in India, 2022 (the "Erstwhile BCI Rules"), in March, 2023, permitting foreign lawyers and law firms to advise foreign clients on foreign law, international law, and international arbitration matters in India on the principle of reciprocity. In May 2025, the Erstwhile BCI Rules were revised and re-notified by the BCI (the "Revised BCI Rules") (please see our update - the evolving state of play for entry of foreign law firms in India: BCI notifies revised rules).

In 2024, Narendra Sharma and a group of advocates filed a writ petition before the Delhi High Court challenging the Erstwhile BCI Rules. The petition questioned the BCI's authority under the Advocates Act, 1961, to permit foreign lawyers to practice non-litigious matters, citing potential harm to Indian lawyers. This case, which was scheduled to be heard last month, has been adjourned to November 4, 2025, leaving the status of the Revised BCI Rules uncertain.

Recent developments

Amidst the legal uncertainty on the Revised BCI Rules, the BCI has issued notices on two law firms (Dentons Link Legal and CMS IndusLaw) questioning the nature of their arrangements with global law firms and alleging that their structures potentially constitute an unauthorized practice of foreign law in India.

The BCI has said that, as the arrangements between these firms have been implemented and made operational without prior registration with the BCI under the Revised BCI Rules, they are impermissible. The BCI has also relied on the ruling in the *A.K. Balaji* case to justify its stand. In response, the concerned law firms have asserted that their arrangements do not violate any Indian regulations and have rejected the BCI's allegations.

Our comments

The enforceability of the Revised BCI Rules remains under question until the pending litigation in the Delhi High Court is decided. To add to this, the recent actions taken by the BCI only increases the uncertainty for international law firms considering alliances or market entry into India. Foreign law firms looking at India need to ensure that the document requirements in the Revised BCI Rules are fulfilled to a T, and that the BCI blesses their India entry plan or alliance.