

## Foreign law firms in India - RBI directs AD Banks to not grant approval to branch office, project office, liaison office or other place of business in India to practice legal profession

INSIGHTS

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RBI has directed all AD category-I banks, not to grant approval to any branch office, project office, liaison office or other place of business in India under Foreign Exchange Management Act, 1999, for practicing legal profession in India, vide its circular dated November 23, 2020 (available here). It has clarified that in light of the decision of the Hon'ble Supreme Court, foreign law firms/companies or foreign lawyers or any other person resident outside India, are not permitted to establish any branch office, project office, liaison office or other place of business in India for the purpose of practicing legal profession.

RBI has also directed the AD category-I banks to bring to the notice of the RBI in case any such violation of the provisions of the Advocates Act, 1961 comes to their notice.

Earlier, vide circular dated October 29, 2015 (<u>available here</u>), RBI had advised that no fresh permissions/ renewal of permission shall be granted to any foreign law firm for opening of liaison office in India, till the policy is reviewed, basis the final disposal of the matter by the Hon'ble Supreme Court, amongst other factors.

We trust you will find this an interesting read. For any queries or comments on this update, please feel free to contact us at <a href="mailto:insights@elp-in.com">insights@elp-in.com</a>

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