

VIII. Changing Nature of Legal Profession: Evolution of Modern Corporate Law Firms

According to ancient traditions, the professional services rendered by the lawyers and the reward given to them was not a compensation for their legal obligations or legal assistance, but in the nature of gratitude for their honorary service. Earlier it was believed that the law was an honorary occupation and not a means of livelihood. However, with the passage of time, professional assistance ceased to be gratuitous, now legal assistance not in the nature of a mere social obligation and the services rendered as honorary.¹ The old conception of advocates wearing the black coat and walking to obtain justice to their clients has changed because of new winds of change brought in by globalization and liberalization.

Legal practice was about legal expertise and nothing else, so lawyers were well-suited to define and enforce practice standards. Now 'legal' work migrated from lawyers to Law Firms to corporate legal departments and non-Law Firm providers. Thus, now legal delivery requires not only legal expertise but also technological and business acumen.²

The concept of Law Firm is not a new one, the concept of Law Firm is as old as the legal profession itself and when two or more lawyers collaborate to conduct their profession agreeing to share the gains and liabilities of the legal practice together under one common name. The Merriam-Webster says "Law Firm is a group of lawyers who work together as a business."³ A Law Firm is a firm established under the legal system where usually two or more partners are lawyers. The Law Firms established under the law can have different objects and reasons for the formation and they are bound to follow them. Some of the areas of operation of the Law Firms are consulting the clients, litigating for the clients, guiding clients over issues like compliance, regulations,⁴ engage in loan instrument, writing infrastructural contracts, power contract, drafting of project finance, contracts, finalizing transnational investment, joint venture and technology transfer contracts etc.⁵ This phenomenon of

¹ Padala Rama Reddi, 'Advocates Practice', Vol-2, 7th ed., 2013, Asia Law House, Hyderabad, p-1099.

² Mark A. Cohen, 'Law Is a Profession and an Industry -- It Should Be Regulated That Way', [Law Is a Profession and an Industry -- It Should Be Regulated That Way \(forbes.com\)](https://www.forbes.com), accessed on 16-01-2023

³ What Is a Law Firm? | Types, Structure, and Jobs, '[What Is a Law Firm? | Types, Structure, and Jobs \(onlinemasteroflegalstudies.com\)](https://www.onlinemasteroflegalstudies.com)', accessed on 17-01-2023.

⁴ How Law Firms Operate, <https://legalserviceindia.com/legal/article-7688-how-law-firms-operate.html#:~:text=The%20Law%20Firms%20established%20under,like%20compliance%2C%20regulations%2C%20etc>, accessed on 17-01-2023.

⁵ Adv. Swapnil Joshi, 'Changing Face of The Legal Profession in India in The Era of Globalization', Changing Face of the Legal Profession in India in the Era of Globalization (legalserviceindia.com), accessed on 16-01-2023.

institutional lawyering is the order of the day not only in metro cities like Delhi, Mumbai, Calcutta, Bangalore etc but also in district places.⁶

Before independence of India Law Firms were restricted mainly to the cities like Bombay, Calcutta and Madras. These cities had firms of solicitors and attorneys. In the beginning of the 90's with the opening up of the economy due to globalization, there are Law Firms in almost every state and city in India now. The impact of globalization necessitated recognition of Limited Liability Partnerships (LLPs) to enable the Law Firms to meet the new challenges. In 2008, the Limited Liability Partnerships Act was passed which recognizes Law Firms with more than 2 partners⁷ and enables them to limit their liability.⁸ Law Firms are also governed by Partnership Act 1932. Partnership is the relation between persons who have agreed to share the profits of a business carried on by all or any one of them acting for all⁹ as an agent of the firm¹⁰ with a maximum cap of 50 (fifty) persons¹¹ and assuming the joint, several and unlimited liability¹². It is important that not all Law Firms or law chambers are necessarily organized as partnership firms. Some are proprietorships or loosely organized group of lawyers while others are legally registered partnership firms under the Indian Partnership Act, 1932.¹³

The Advocates Act, 1961 and the Bar Council of India Rules, 1975 prescribe a number of restrictive codes of conduct for lawyers¹⁴ and as such the lawyers forming a limited liability partnership firm under the Indian Limited Liability Partnership Act, 2008 and/or a limited liability corporation under the Companies Act, 2013.

Though legal ethics in India is opposed in conceptualizing legal practice as a profitable venture, the capitalistic legal systems in United Kingdom and the United States of America have embraced the transition of legal practice into legal business and many Law Firms in these countries have been structured as limited liability partnerships and limited liability corporates. Unfortunately, though the demand in the Indian legal sector is met by the domestic lawyers, there is still a shortage of proficient professional legal services, due to the

⁶Padala Rama Reddi, 'Advocates Practice', Vol-2, 7th ed., 2013, Asia Law House, Hyderabad; p-1 f02.

⁷Section 6 of Limited Liability Act, 2008 provides for every limited liability partnership shall have at least two partners.

⁸Amal Kumar Ganguli, 'Overview of the Legal Profession in India', [Overview of the Legal Profession in India UIA \(uianet.org\)](http://UIA(uianet.org)), accessed on 18-01-2023.

⁹See Section 4 of the Indian Partnership Act, 1932.

¹⁰See Section 18 of the Indian Partnership Act, 1932.

¹¹Reference to Section 464 of the Companies Act, 2013 and Rule 10 of Companies (Miscellaneous) Rules 2014.

¹²See Section 25 of the Indian Partnership Act, 1932.

¹³Varsha D K

¹⁴See Rule 36 and Rules 47 to 52 of the Bar Council of India Rules, 1975 framed under the Advocates Act, 1961.

lack of severe and adroit competition. Once Hon'ble Justice Krishna Iyer in the year 1976 in the case of *Bar Council of India v. M V Dhabolkar*¹⁵ held that “the law is not a trade, not briefs not merchandise, and so the heaven of commercial competition should not vulgarize the legal profession”.¹⁶

However, in India there has been a change in the erstwhile circumstances, and which in turn has resulted in showing the signs of trade facet of legal profession. With this most of the Law Firms in India and particularly in the State of Karnataka are organized and registered as partnership firms under the Indian Partnership Act, 1932 and the rise of free market and globalization has provided further traction and conducive environment for the growth, expansion and sustenance of Law Firms in India and particularly in the globally relevant cities like Bangalore in the State of Karnataka.¹⁷

The Shift Away from Litigation to Corporate Law Firms

Corporate law firms have emerged in the past twenty years as a small, but economically important and growing part of the Indian legal sector. The corporate law firms in India especially in the state of Karnataka have experienced significant growth and development. The liberalization of India's economy in the early 1990s created new opportunities for businesses and investors, which in turn increased demand for legal services. This has led to the emergence of a number of large, multinational law firms that have established offices in major Indian cities.

The growth of corporate law firms in India especially in Karnataka has been driven by several factors. Like, the rapid economic growth which has created a huge demand for legal services in sectors such as IT, manufacturing, engineering, and telecommunications. The transparent and investor friendly Indian legal system which has improved the ease of doing business in the country and the corporate clients who demand the legal services necessary to operate in the increasingly deregulated, privatized, and globalized Indian economy.¹⁸ This has led to greater demand for legal advice on matters such as mergers and acquisitions, investments, and regulatory compliance.

¹⁵ 1976 AIR 242, 1976 SCR (2) 48.

¹⁶ Sarthak Sarin, https://www.indialawjournal.org/archives/volume3/issue_1_farticle_by_sarthak.html

¹⁷ Varsha D K

¹⁸ Jonathan Gingerich and Nick Robinson, 'Responding to the Market: The Impact of the Rise of Corporate Law Firms on Elite Legal Education in India', HLS PROGRAM ON THE LEGAL PROFESSION RESEARCH PAPER SERIES Number, ' 2014, 11 February' <http://www.law.harvard.edu/programs/plp/> accessed on 01-04-2023.

In the recent times the law graduates from prestigious law schools in Karnataka attracted towards the Law Firms and companies, rather than litigation. The reasons for this may be because young lawyers in litigation do not earn much as compared to Law Firms who pays handsomely. Corporate firms offer high salaries even at the entry level, refined work that avoids the rough and tumble of the courtroom, and the promise of relatively meritocratic recruitment and promotion. To many law students these incentives have helped make jobs at these new types of law firms more attractive than jobs available in the legal sector before liberalization.¹⁹ Furthermore, the growth period for a litigating lawyer is quite long when compared to careers at Law Firms and companies.²⁰ Law Firms in India have given enough opportunities for professionals to grow at the same time delivering the best legal services to the Corporates or individual clients.

The Law Firms had been traditionally hired by the corporate companies or only the individuals who were able to afford the higher legal fee of the Law Firms. With the evolving times, there have been more options available in the competitive world while selecting and finalizing a Law Firm. Any individual or an organization can approach a Law Firm and hire its services after accepting the terms and conditions of the agreement.²¹

The role of the law firm in Karnataka is maturing into a multi-faceted organization with roles as diverse as being a critical economic agent, an important employer and they call for providing legal aid and assistance to persons in need, protecting human rights, and promoting reforms in law that support the social and economic needs of people.²²

The legal profession is one of the most influential professions having an involvement in the governance of the country. Due to globalization the foreign Law Firms seeking entry into the Indian space and Indian Law Firms handling transactions with global implications. At the same time, the core practise of law still revolves around the courts in India, and the majority of the bar is involved in practise before the courts. This produces a melting pot of ideas and opinions, and the result is a bar which is evolving through reforms in legal education and ethics and at the same time, is encouraged by traditions that have stood the test

¹⁹Jonathan Gingerich and Nick Robinson, 'Responding to the Market: The Impact of the Rise of Corporate Law Firms on Elite Legal Education in India', HLS PROGRAM ON THE LEGAL PROFESSION RESEARCH PAPER SERIES, 11 February 2014 <http://www.law.harvard.edu/programs/plp/> accessed on 01-04-2023.

²⁰Amal Kumar Ganguli, 'Overview of the Legal Profession in India, [Overview of the Legal Profession in India | UIA \(uianet.org\)](http://www.uianet.org/), accessed on 18-01-2023.

²¹How Law Firms Operate, <https://legalserviceindia.com/legal/article-7688-how-law-firms-operate.html#:~:text=The%20Law%20Firms%20established%20under,like%20compliance%2C%20regulations%2C%20etc>, accessed on 17-01-2023.

²² Designing Socially Responsible Law Firms in India Chapter 1: Introduction: Designing Socially Responsible Law Firms in India, SCC Online Web Edition: <http://www.sconline.com> accessed on 11-01-2023.

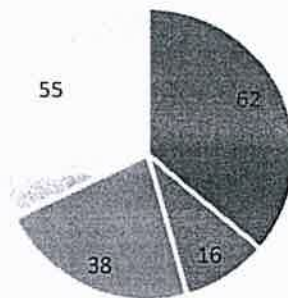
of time. It is inevitable that as the nature of legal services sought by the consumers of legal service change, with the inevitabilities of liberalisation, the profession in India will evolve and rise to the challenges that they raise. There is no doubt that the legal profession in India will always work closely with all stakeholders concerned to improve access to justice for all and help realise our Constitutional ideals for people from all walks of life.²³

²³Amal Kumar Ganguli, 'Overview of the Legal Profession in India, [Overview of the Legal Profession in India | UIA \(uia.net.org\)](#), accessed on 18-01-2023.

1. Number of active practitioners (in numbers- out of 171)

- 1-50 - 62
- 51-100 - 16
- 100-500 - 38
- Above 500 -55

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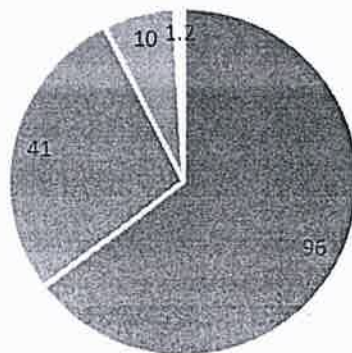


■ Jan-50 ■ 51-100 ■ 100-500 ■ above 500

2. Number of active female practitioners (in numbers-out of 171)

- 1-50 – 96
- 51-100 – 41
- 100-500 – 10
- Above 500 – 24

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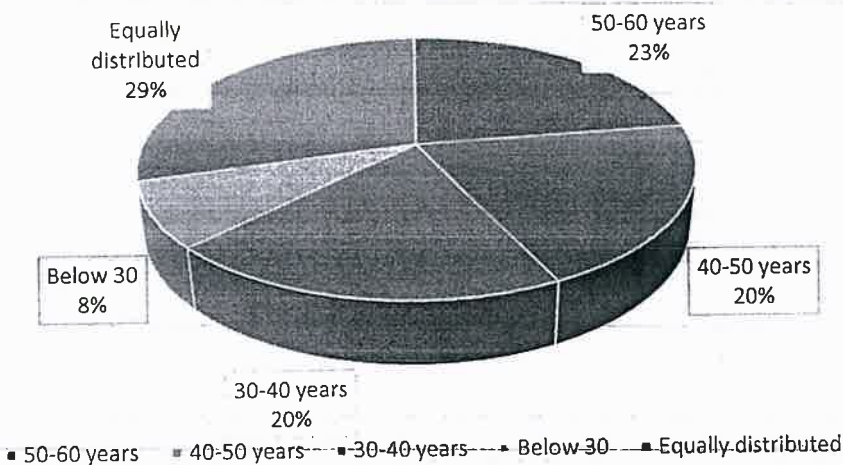


■ Bwlow 50 ■ 51-100 ■ 100-500 ■ Above 500

3. Concentration of work among the advocates (in percentage)

- 50-60 years-23%
- 40-50 years-20%
- 30-40 years-20%
- Below 30- 08%
- Equally distributed-29%

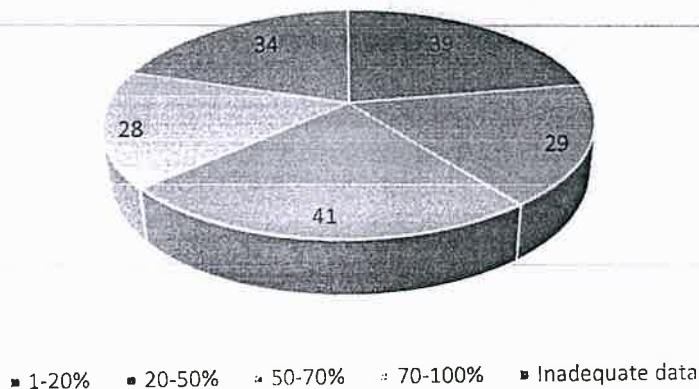
3. Concentration of work among the advocates



4. Percentage of cases settled through ADR's and Lok-Adalat (in numbers)

- 1-20% - 39
- 20-50% - 29
- 50-70% - 41
- 70-100% - 28
- Inadequate data - 34

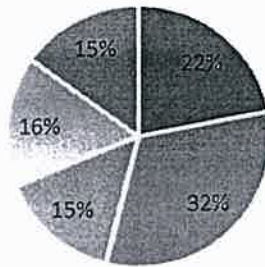
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5. Percentage of advocates participating in legal aid activities

- 1-10% - 22%
- 20-50% - 32%
- 50-70% - 15%
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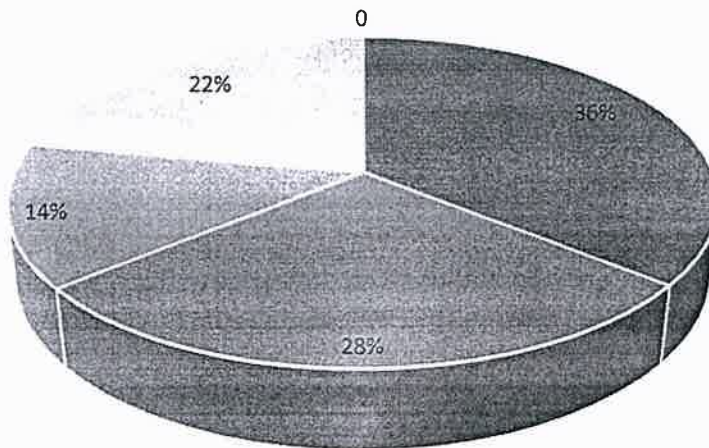


■ 1-10% ■ 20-50% ▾ 50-70% ▾ 70-100% ■ Nil

6. Welfare facility available to advocates

- Available - 36%
- Not available - 28%
- Limited - 14%
- Not answered - 22%

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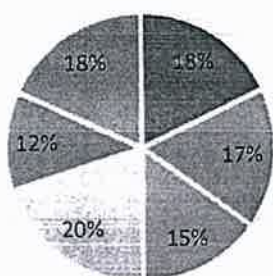


■ Available ■ Not available ▾ Limited ▾ Not answered ■

7. Percentage of advocates who pay allowance to juniors

- Above 75% - 18%
- Above 50% - 17%
- Above 30% - 15%
- Above 20% - 20%
- Below 20% - 12%
- No one pays to juniors - 18%

7. Percentage of advocates who pay allowance to juniors



- Above 75%
- Above 50%
- Above 30%
- Above 20%
- Below 20%
- No one pays to juniors

8. Facilities available for advocates in Bar Association:

- a) drinking water – 6%
- b) medical facility – 5%
- c) sanitary facility – 5%
- d) recreational facility – 5%
- e) all facility- 60%
- f) No facilities- 19%

8. Facilities available for advocates in Bar Association



- drinking water
- medical facility
- sanitary facility
- recreational facility
- all facility
- No facilities

171 Forms

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9. Factors promoting dignifies living of advocates

- Honesty-3
- Loyalty-2
- Dedication-4
- Concentration-7
- Place of Practice-3
- Advice of the seniors-3
- Interest on practice-4.
- Hard work-3
- Proper pay
- Seminars should be conducted-2
- Higher court judges to be called to address advocates
- Motivation
- Not answered-72
- Single fee structure
- Not to allow notary advocates to file cases
- Public contacts
- Language
- Encouragement
- Dress code
- Good knowledge
- Reading
- Stable income
- Encouragement from Bar Members
- Active and knowledge
- There should be a monthly Stipend from seniors to junior advocates.
- Fixed and improved fee structure
- Proper attire, proper facilities at court, minimum wages to be fixed to advocates to be borne by bar council,pf, retirement benefits to be made available,immunity from media
- Knowledge
- Income from other sources like agri, rent, business

- Enormous reading, standing at bar, Ethics
- Require the wine to filter more law graduates
- Professional training, professional ethics, job creating, improvement in all law college teaching with practical knowledge is essential.
- payment for work
- Good income and ability to support family
- Communication, social inclusion, dedication
- Character brings Dignity
- Societal hold
- Ethics
- Legal Aid Clinic and other facilities.
- Nature of work
- No free advice should be given over phone to litigants
- Professionalism
- Stipend, scholarship for law graduates
- Good financial status, Moral and ethical principles
- Knowledge, Way of treating clients and guiding in proper manner.
- Decent income will provide dignified life
- Good communication with clients
- Sincerity
- It's a noble profession getting good contact with general public,officials
- Senior should pay allowance to Junior
- Unbiased judicial officers support and encouragement and social status of Advocates are much affected on legal practice
- Social respect and self-promoting strength of personal growth
- Allowances,respect, welfare facilities Honesty-6
- Proper pay
- Higher court judges to be called to address advocates
- Motivation
- Single fee structure
- Not to allow notary advocates to file cases
- Public contacts
- Language
- Encouragement
- Dress code
- Good knowledge
- Reading
- Honesty
- Better earning opportunities, creating opportunities for advocates to represent in local bodies etc, housing n transportation facilities, empanelment, courts, clubs' infrastructure, enhanced advocates fees as per schedule.
- Societal status of Advocates promotes our life
- Remuneration and respect from the Bench and the government
- Confidence

- Hard work, decency, Regular income, polite approach
- Technology, hard work, dedication, punctuality, commitment
- Decent Library

10. Hinderances for dignified living of advocates

- Less pay-11
- Audacity of seniors
- Work pressure
- Everything
- Juniors are not getting membership at senior's office-6
- Lack of guidance-3
- Lack of cooperation at practice-6
- Laziness
- No Grants to bar association-1
- Not answered-73
- Suspicion in the part clients
- Uncertainty of income
- More facilities for junior advocates coming from rural background
- Drastic decrease in litigation, uncertainty in results, time consuming
- Unfair competition at Bar, non-payment of fees by clients
- Poor quality of law graduates
- Lack of awareness in law, seniors are not supported to juniors, low opportunity in law fields and political influence in profession and self-confidence to defend the cases.
- No encouragement to juniors by paying living expenses
- Study of law has no respect
- Misbehaving with Court and Clients
- False assurance to clients
- Opposite of above
- Lack of practical skill
- Poor payment
- Unequal distribution of work
- Misguiding
- Unwanted Competition amongst peers.(Peer group pressure)
- Long hours, stress level, increasingly competitive job market, new and emerging technology
- Earning in wrong route
- Charging less fees for the purpose of Competition
- Our own Advocate fraternity
- Lack of professional ethics
- Way of behaviour in young Advocates
- Not having good knowledge of law
- Unhealthy competition

- Because of some bad guidance by well-known professionals.
- Many advocates do not have good practice and good income.
- Irregularity in practice, integrity and lack of ethics
- No easy access to independent cases for female advocate.
- Not supported by seniors & lack of financial support
- Less income
- Very tough to lead life as a trial court lawyer
- No separate constituencies or representation in parliaments, loan facilities not adequate, no separate govt schemes, they may be allowed to participate in service industry simultaneously (other than legal) to enhance their financial status. Like aren't canteens a separate canteen for advocates to purchase essentials at subsidised costs.
- Client does not pay and running between courts
- Unhealthy competition
- Lack of Confidence
- Lack of promoting, lack of guidance from senior, no regular income
- Lack of advocacy skills, money minded, lack of interest and knowledge in profession
- Day to day legal knowledge and the moral support by the senior Counsel of legal profession
- Less pay-12
- Audacity of seniors
- Work pressure
- Everything

11. Any other observation for promotion of standards at Bar.

- Stipend-1.
- Basic salary for rural junior advocates-5
- Medical insurance- 2
- Financial support-6
- Cooperation
- Family welfare-1.
- Parking-1.
- Guidance to juniors-3
- Nil-3
- Not answered-72
- Equipped library-2
- Importance to juniors-1
- Language problems-1
- Digital library should be established
- Guaranteed work and allowance
- Financial aid to the juniors

- Proper training to be provided to Advocates in par with present technology, cleanliness and hygiene to be maintained at canteen and sanitary facilities, regular health checkup
- Neglect by the bench. No harmony between bar and bench. No incentive to bar in lokadalats. Judges having no or little practice are appointed.
- It must be provide law library with maintenance, at least every 6 month training should be given to juniors advocates by senior or experts in law and govt shall provide some
- Guidance or clarifications online
- Standardisation of practice: not everyone should be allowed to enter the Bar
- Everyone should get opportunities, quick honest and speedy remedy, free legal aid
- Conducting Seminars regularly
- Unity before the judiciary
- Crash courses need for all ages on ethics
- Stop taking favours from the Bench
- Need more transparency
- Need govt assistance
- Need to organize experts' classes for enlightenment of beginners in practice and procedures.
- A fixed amount to be paid depending on experience by the seniors to juniors
- Must attend the office of the seniors, reading the journals court observation
- Frequent Class for Junior
- Conduct legal awareness workshops & strictly followed & monitor by professional ethics from state & district bars
- Better library (physical as well as virtual), internet facilities, recreation rooms including TV, indoor sports, a few client interface cubicles, internet and computer facilities.
- Judge's cooperation with bar and advocate
- Conduct trainings to advocates from bar is required
- Complaints between Bar and Bench to be seriously redressed
- No encouragement from male advocates towards female advocates and no respect for female president problems
- Strict professional ethics are required to be implemented, and elected members to Bar Council and Bar association should be highly ethical and intellectual class
- Library, sanitary, separate recreation, unity amongst advocates
- Internship programs from beginning, encourage law students to intern with small office with ample scope for learning court craft instead of referring big corporate firms
- Internal changes by every advocate practicing of their lifestyle and the way of approach to the court and mandatory dress code for both men and women and the cleanliness
- It is required to maintain professional ethics

12. The problems faced by advocates due to pandemics

- Not answered-6
- Lack of work-51
- No allowance- 4
- financial difficulty-71
- not faced problems-50
- many advocates got corona- 10
- seniors suffered by technology-they couldn't equip themselves very easily.
- Not answered-15
 - Lack of work-40
 - No allowance- 20
 - financial difficulty-39
 - not faced problems-08

13. What are the contribution made by bar associations at the time of pandemic

- No information-2
- Nothing- 25
- Not answered- 8
- Food items/ration-20
- Bar council has given Rs.5,000- 48
- Provided medical aid/vaccination drive - 6
- Senior advocates personally helped junior advocates-13
- Medical facility/expenses-7
- No information-05
- Nothing- 20
- Not answered- 13
- Food items/ration-20
- Bar council has given Rs.5,000- 08
- Provided medical aid/vaccination drive - 05
- Senior advocates personally helped junior advocates-11

14. Any other opinion

- Government/ Bar should provide some funds to the junior advocates-6
- Advocates need to be more active-
- Training centre for junior advocates must be opened-7
- Proper guidelines-7
- Nothing-6
- Advocacy is best profession.
- Not answered-71
- Infrastructure must be improved-1

- **Solve junior advocates problems-1**
- **No-11**
- **Not answered- 34**
- **Legal profession is an noble profession so everyone should maintain the dignity of profession.**
- **Please serve the financial aid to the juniors we are all in trouble**
- **Provide financial assistants, medical facility, from KSBC**
- **Pay juniors by state bar**
- **Lot needs to be worked out for Advocates with help of research from legal Institutions and advocates for betterment of legal fraternity**
- **Our Bar has stood us down. The Bench has also disappointed the fraternity in no real remedies**
- **Quota system for Judges to dispose cases: Time limit and grading of judges on disposal of the case. To dispose of the case, the judges concentrate on quota than the case on**
- **We can have good Quality Lawyers arguing on behalf of the State than the defence lawyer.**
- **My personal opinion - bar association must take initiative in campus selections of final year law students as a junior practitioner under senior council's office**
- **Any lawyers must avoid short cuts for money and fame.**