

## Lecture 19: Opening of Legal Service Sector in India

Dear students, in this class, we are going to look into the Indian legal service sector. As I already explained in the last class, the legal service sector has so far not been opened up by the Government of India (GoI), but some of the services are opened up. So, one of the largest markets in the world is the legal service sector.

### CONCEPTS COVERED

- **Indian Commitment**
- **India's Service Sector**

So, we will also see what the Indian commitments in this sector are.

## Introduction

- **India was one of the 23 founding Contracting Parties to the GATT (General Agreement on Tariffs and Trade) and so does, India is also the member of the GATS (General Agreement on Trade in Service) and have assumed commitments in service sector under differing degrees.**
- **India's participation in these international economic negotiations is illustrative of its ambivalence towards the importance of trade in service.**

So, you can see that India is one of the founding countries of GATT as well as the WTO and India is signatory to the Services Agreement, the GATS Agreement. So, India has to implement the basic commitments under the Agreement. So, India is already claiming that it has already implemented all the commitments under the service sector.

## Services Industry in India- 2021-22

- 20.19 % - Agriculture
- **Contributes 53.89 % Services**
- Industry – 27.92 %
- Major areas:
  - 1. Tourism
  - 2. Information Technology
  - 3. Banking and Insurance
  - 4. Hotel and Restaurant
  - 5. Consultancy, legal, and other professional services.

So, if you look into the service sector, we have seen this particular slide in the last class as well. And especially in the Indian economy, you can see that the contribution of the service sector is going down. So, it was around 60 per cent, and now in 2022, it comes to 53.89 per cent, which means around 54 per cent. At the same time, agriculture is also going down, and the industry is going up. So, the service sector was one of the lifeline, is the lifeline of Indian economy. So, you have to see that the service sector growth is very important for the Indian economy. In other service sectors, you can see that tourism is again very important for India; information technology, the IT sector is very important for India; banking and insurance, hotel and restorations; and the fifth category comes consultancy, legal and other professional services. So, the legal services will come under the professional services. It can be in the mode of consultancy or it can be in the mode of litigation. So, we will see that.

## Legal market

- Global Legal services - \$700Bn.
- Second largest market – India – 6 Lakhs Lawyers
- Indian legal market - \$400 Mn.

So, the world legal market constitutes around 700 billion USD. 700 billion USD is not a small amount at all; it is one of the largest sectors within the service sector. India is the second largest legal market, with 6 lakh lawyers. Six lakh lawyers, you can imagine, and the total market amount, which you can see is around 400 million USD out of 700 billion USD. So, India's contribution is only 400 million USD with the largest number of lawyers. So, this has to be changed that is why we are discussing about this particular sector whether it is to be opened up or not.

## Legal Services under WTO

- **The legal services sector represents an advisory and representations services for:**
  - 1) **Host country;**
  - 2) **Home country;**
  - 3) **Third country law;**
  - 4) **International law;**
  - 5) **Legal documentation and certification;**
  - 6) **Other advisory and information services**

So, we will see the basic commitments under this particular head and what are the categories of terminologies which are used. So, the legal service sector represents two sectors, one is advisory services and the second one is representation services. So, advisory services are in various modes. It can be of consultancy; it can be of other

advisory modes and representation services again is mode 4 as well: the movement of people from one country to another country for providing services. So which are countries involved? One host country is involved, one home country is involved, international law is involved, legal documentation certification is involved, and other advisory and information services are involved in this particular list.

## Legal Services- Mandate Proposal

- [Results list \(wto.org\)](#)
- **The principles of trade in legal services are contained under the GATS, and that are all same for all types of services.**



So, here you can see that all the principles of GATT, mode 1, mode 2, mode 3 and mode 4, are applicable in the legal service sector as well. For example, the first advisory services can be provided under mode 1. So, the services travel-crosses the borders and 2 there is a huge number of students travelling to other countries like the US for legal education, for especially higher legal education, mode 2. We have not opened up the education sector; slowly, we are opening up. So, foreign education institutions are so far not permitted, and higher education institutions are so far not permitted in India, but very soon, they are going to be in the country. Mode 4 services: if you want to open up a legal service sector, you have to open up mode 4 because in the representation services, these people come to India to provide the services.

## Legal Services under the GATS

- **Classification under CPC 861 Provisional**

- 1) **Legal Services**
- 2) **Legal Advisory and Representation Services in the different fields of law**
  - a) **Legal advisory and representation services concerning criminal law**
  - b) **Legal advisory and representation services in judicial procedures concerning other fields of law**
- 3) **Legal Advisory and Representation services in statutory procedures of quasi-judicial tribunals, boards, etc.**
- 4) **Legal documentation and certification services**
- 5) **Other legal advisory and information services**



So, here you can see the classification under the CPC 861. The legal service sector, I have already said that the legal service sector represents the advisory services and representation services. So, various fields are involved, and it can be criminal law, it can be civil law, it can be arbitration and also any other field of law. And advisory and representation services, which you can find before quasi-judicial tribunals, boards and various other dispute settlement forms. Legal documentation and certification services are usually common in almost all the countries and other legal advisory and information services. So, you can find almost there are 5 categories of legal services.

## Usefulness of CPC 861 (Legal Services) in context of Liberalization

- **No distinction between advisory and representation services**
- **No distinction between domestic (host country law) and foreign law (home country, third country law)**
- **No explicit coverage of international law**
- **No explicit coverage of arbitration and conciliation services**



And also the context is the liberalization, if you want to open up. So, once you open up the legal service sector, there is no distinction between advisory services and representative services. So that means the lawyers can go to the courts, lawyers can also

provide advisory services or consultancy services. Also, there is no distinction between domestic law and host country law and/or foreign law. That means there is no distinction between the host country, the home country, or third country law. And most probably international law may not be used by the courts. Mostly the domestic courts are using domestic law. Then no explicit coverage of arbitration and consolidation services. So, this is also the drawback, which is mentioned here.

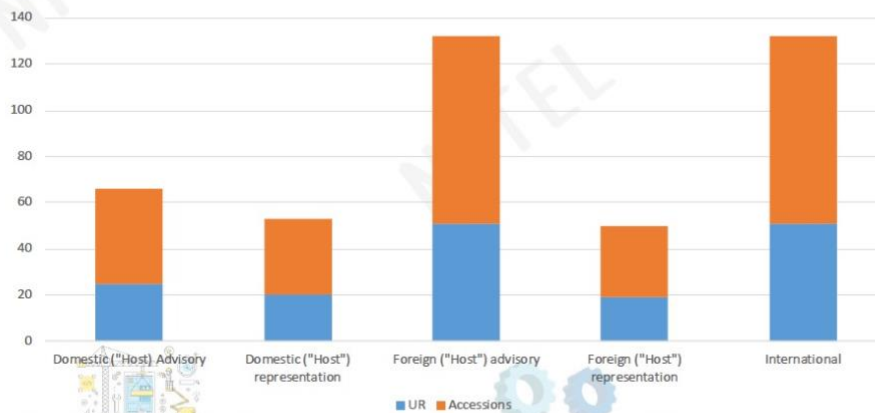
## Joint Statement on Legal Services under WTO

**Suggestion for common terminology and definition for:**

- Legal advisory services
- Legal representational services
- Legal arbitration and conciliation/mediation services
- Domestic law (host country law)
- Foreign law
- International law

And we already said that other than these advisory services and representation services you can find arbitration, conciliation, mediation services - not so very popular in India except arbitration. Then, there is host country law, foreign law, and international law. So, you can find all these categories of laws in the countries.

## WTO Members with Commitments in Legal Services



So, this is one of the old data. You can find how many countries are committed to the legal service sector. So, here is the first one you can see: the host country, advisory services. So, some accessions are more, and others are less. Domestic countries again host representation. The first one is the advisory services, and the second one is representation services. When you look into the domestic advisory and representation services, representation services are less than the domestic advisory services. It means that consultant services are opened up by many countries, but the representation in person practice has not developed much. The third is foreign host advisory services and foreign host representation services, one of the lowest, and then international accessions. So, you can see variations in the services provided by the member countries.

## INDIAN LAW

- **The Advocates Act of 1961 amended and consolidated the law relating to legal practitioners and provided for the constitution of the State Bar Councils and an All-India Bar - the Bar Council of India as its apex body.**



Quickly, we will come to the Indian scenario, and we will analyse the Indian law, or, I would say, the Indian barriers to entry and opening of this legal sector. Mainly if we can look into the Indian Advocates Act of 1961 as the sole legislation relating to the lawyers. And the Advocates Act of 1961, which provides for the constitution of the Bar Council of India and State Bar Councils. The Bar Council of India is the apex body relating to legal education and controlling the lawyering education in the country.

## Bar Council of India

- **The main functions of the Bar Council of India are:**
- **(1) To lay down standards of professional conduct and etiquette for advocates;**
- **(2) To lay down the procedure to be followed by its disciplinary committee and the disciplinary committee of each State Bar Council;**
- **(3) To promote and support law reform;**
- **(4) To promote legal education and to lay down standards of such education in consultation with the Universities in India imparting such education and the State Bar Councils;**
- **(5) To organise legal aid to the poor in the prescribed manner;**
- **(6) To recognise on a reciprocal basis foreign qualifications in law obtained outside India for the purpose of admission as an advocate in India.**



You can see the basic functions of the Bar Council of India because once you approve or open up the legal service sector, these functions will change. So, to lay down the standards of professional conduct and ethics for advocates, etiquette for advocates, professional standards. (2) procedure to be followed by the disciplinary committee and the disciplinary committee of each bar council to promote and support law reform, to promote legal education and lay down standards of legal education, to organise legal aid to the poor people and to recognise on a reciprocal basis foreign qualifications in law. Because one of the most controversial issues is the recognition of foreign law degrees in the country. In some countries, you can see that it is a 4-year course; in India and in some of the other countries popularly, it is a 3-year or 5-year course. So, recognition of foreign degrees become a controversial issue. So, without solving the recognition issue, you cannot open up the sector at all because otherwise, everybody will come and enrol in the country. So, qualification is considered a very controversial area.



## Indian Legal Services

- The Indian legal services market has a significant growth.
- The introduction of globalization in the Indian service sector has an impact on the legal services, as a result, more and more law firms are willing to do their business in India as well as with Indian law firms.
- Indian legal profession is one of the most lucrative profession consisting of more than 6 million advocates presently practicing in India.
- It has been broadly regulated under the Advocates Act, 1961 as well as by the rules prescribed by the Bar Council of India (BCI).
- And because of the prevailing legislation, India being the member of GATS, has not taken adequate measures to liberalize the legal service.



And also, you can see that, the Indian legal service sector is growing very rapidly with globalization and the areas of practice are also diversified. It is saying that presently around 6 million advocates exist. So, I have serious doubt whether it is 6 million or it is 6 lakhs. So, most probably, I do not think there are 60 lakhs. It is only 6 lakh practicing lawyers in India. 6 million may not be correct and also, you can see the regulatory body have specific duties and so the prevailing legislation, that is, the Advocates Act, 1961 - India is not able to liberalise the service sector and the GATS.

## India – Notary Services

- (a) Verify, authenticate, certify or attest the execution of any instrument;
- (b) Present any negotiable instrument for acceptance or payment;
- (c) Note or protest the dishonour of any negotiable instrument under Negotiable Instruments Act;
- (d) Note and draw up ship's protest, boat's protest or protest relating to demurrage and other commercial matters; (e) Administer Oath to, or take affidavit;
- (f) Prepare bottomoy and respondentia bonds, charter parties and other mercantile documents;
- (g) Prepare, attest and authenticate documents;
- (h) Translate and verify translation of any document; and
- (i) any other Act which may be prescribed.



As you can see, in India, there are services other than advisory services and representation services. For example, verify, authenticate and certify and attestation of instruments, then present any negotiable instrument for acceptance or payment, note or protest the dishonor of any negotiable instrument under the Negotiable Instruments Act

and ship's protest, boat's protest. So, protests relating to demerits and other commission matters, administering oath on affidavit, all these will come under legal services. Then, preparing bottomry and respondentia bonds, charter parties and other mercantile documents, attestation and authentication of documents, and translating and verifying the translation of any document and any other. So, in India, other than these two categories are also present.

## Indian Legal Service Sector and GATS

- **India is also the member of GATS, that came into existence after the Uruguay Round of Negotiations.**
- **The GATS provides for different modes of supply of services through its framework. And services can be obtained by way of consumption abroad, like, an Indian company travels abroad for seeking legal advice.**
- **Under GATS, Cross border trade and the temporary movement of natural persons are two most important modes of supply of legal services.**



So, in the legal service sector, as I told you under the GATS, Uruguay Round, there were intense negotiations, and India also participated in the negotiations, but India did not agree to open up the sector, and they put limitations on the schedules. So, the two most important issues are the cross-border trade and the temporary movement of natural persons. As I told you, cross-border trade can happen anytime; there is no movement of persons, but the movement of natural persons: mode 4 is a problem in India as well because India does not want foreign lawyers to come and practice in its courts.

## Nature of Indian Legal Services Market

- **Legal Services include:**

- a) Legal advisory and representational services;
- b) Drafting or legal documentation with respect to criminal law;
- c) Pleading before a court of law;
- d) Out of court work like interviewing of witnesses.

- **The legal service sector has witnessed steady growth in recent times, because it focuses on corporate restructuring, privatization, cross border mergers and acquisition, intellectual property rights and competition law.**



And the market, if you look into it again, both legal services, advisory services and representation services are available in India. Moreover, drafting or legal documentation with respect to criminal law, pleadings before the court of law, then out-of-court work like interviewing of witnesses, etcetera. And also you can see that slowly, maybe after the last 27 or 28 years, there are a lot of changes happening in the private sector. So, mergers and acquisitions by foreign companies are happening. So, especially, they practice areas like intellectual property, a new area under the TRIPS Agreement, the competition law is also a good area of practice, now emerging. This is also to be taken into consideration.

## 1995 Case

- **In 1995, the Lawyers' Collective, a public interest trust set up by the advocates to engage in free legal aid, moved the Bombay High Court challenging the right of foreign law firms to practice law in India.**
- **Their main contention was that practicing law would include not only appearance before the Court as pleaders, but also drafting legal documents and advising clients.**
- **The Central government, on the other hand, contended that the Advocates Act prevented foreign lawyers from practicing law in court, and from giving advice to clients.**
- **However, the Bombay High Court gave a wide interpretation to "practice of law" and gave the judgment in favor of the petitioners.**



And most importantly, this was stalled. The opening of the sector was stalled mainly because of the 1995 Supreme Court case. The first case was filed in the Bombay High Court by an NGO known as Lawyers Collective. And they filed a case in the Bombay

High Court challenging the right of foreign law firms to practice in India. So, they claim that under the Advocates Act, 1961, no foreign law firms can practice law in India. So, this practice does not mean only appearances before the court but also drafting documents, legal documents, advertising clients. So, under the Advocates Act, 1961: advertisement is prohibited, but in most countries, it is permitted. So, here, the central government argued that the Advocates Act prevented foreign lawyers from practicing law and giving advice to clients in India. So, the Bombay High Court has given a wide interpretation of the terminology of the practice of law and gave judgment in favour of the petitioners. So, some of the sectors were opened up after this particular case. I hope this email finds you well.

## Limitation

- **Presently, the demand for legal services stems from business law and international trade.**
- **Typical market access limitations in the legal sector include restrictions in the movement of professional, managerial and technical personnel, and on the form of incorporation.**
- **However, with respect to India, there is no prescribed definition for “legal services”, but being the member of GATS, India is obliged to follow the definition provided in WTO classification.**

So, presently, in most areas, there is a demand for opening up, legal services in business law, international trade law, intellectual property law and other areas. Even in arbitration, there is a demand for opening up this particular sector. The market has access limitations, limitations put on, and if the Government of India (GoI) removes that, then only people can come in. And also, legal services: there is no prescribed definition for legal services which can be seen in the Advocates Act, 1961. So, the Government of India (GoI) should amend the Act and to give the definition of legal services. So, India has to follow the WTO CPC classification and define what you mean by legal services.

## Constraints to Open the Legal Service Sector in India

- The professional bodies like the Bar Council of India and government are reluctant to open up the legal service sector to foreign firms.
- The entry of foreign law firms in India has been subject to controversy due to the permission required under Foreign Exchange Regulation Act, 1973
- Lack of political will in India has also played as a constraint in opening up of legal services in India
- Stringent provisions of the Advocates Act, 1961 and BCI regulations are another factors for obstructing of flourishing of legal services in India



What are the other constraints to opening up legal services? The Bar Council of India, the professional body which maintains the standard of Indian legal education, is not in favour of opening the service sector for foreign firms. Also, the Foreign Exchange Regulation Act of 1973 is needed for people who want to take a bit of their earnings. So, they have to comply with the Foreign Exchange Regulation Act. So, some of the provisions need to be relaxed. Then, most importantly, the lack of political will due to various reasons. So, you can find that, very specifically in India, a lot of politicians are from the legal sector. So, the lack of political will is also one of the reasons for not opening this particular sector. Most importantly, the Bar Council of India regulations are completely obstructing the flourishing of legal services in India. So, today or tomorrow, we will be compelled to open up this particular service sector. It is one of the largest in the world, and due to the liberalisation, there are a lot of litigations in various areas, for example, business law, intellectual property law and other areas of practice, where we require foreign expertise.

## Opposition

- BCI rules expressly prohibit advocates from sharing remuneration with any other person by way of an arrangement in the form of a partnership and hence, in other words, lawyers are precluded from entering into arrangements with non-lawyers.
- The Rules provide that multidisciplinary firms are not allowed to operate, and partnership firms are the only legitimate way to operate in India.
- It is interesting to note that the Law Commission of India had recommended in one of its reports for amendment of certain sections of the Advocates Act, 1961 so that regulations put forward by the BCI could be eased.



And we already said that the main opposition is from the Bar Council of India which is prohibiting forming partnership businesses, advertising businesses, advertising the business of lawyers, etcetera under the Advocates Act, 1961. Then, the rules provide that multidisciplinary firms are not allowed. So, partnership firms are allowed. Partnership firms are the only ones presently; most of the law firms are in the form of partnership firms. So, multidisciplinary firms are not known to India. The Law Commission of India has recommended the amendment of the Advocates Act, 1961 and the Bar Council of India rules as well so that law firms can come to the country and provide services.

## Domestic Regulation

- **Equitable access**, regardless of income or location, to a given service - transport; education; health; telecommunication services
- **Measures**: cross-subsidization and other financial incentives; universal service obligation as licensing condition -
- **Consumer protection** (including through information and control) - professional services; financial services; health services
- **Policies**: prudential and other technical standards; publication requirements; qualification requirements for professionals; licensing/certification of facilities - twinning requirements relating activities in urban centers to those in remote areas (repair shops, shipyards, health facilities etc.)



And if you look into the domestic regulations, you can find in certain places equitable access, transport, education, health, telecommunication services, etcetera, cross-subsidization and financial incentives, and all these are applicable subject to the national

treatment principles. Consumer protection, policies: You can see the different policies under different laws and regulations.

## Domestic Regulation

- **Job creation in disadvantaged regions - infrastructural services such as railways, maritime transport; long-term health care (rehabilitation centers, etc.).**
- **Labor market integration of disadvantaged persons - potentially all service suppliers beyond certain minimum size**  
**Policies: obligation to employ certain percentage of handicapped persons**



Then, job creation, for example, the state monopolies like the railway, one of the largest job providers, I would say the largest employer in India. So, if you open up the service sector, then providing employment will be difficult. So, transport services, maritime transport services and long term health care services, rehabilitation services etcetera. So, in certain areas there are interests, business interests, certain areas there is no interest. Then, labour market integration. So, as I told you, the service players have obligations to employ a certain percentage of handicapped persons and another category of persons. Even most importantly, India is a country where there are a lot of reservations, caste-based reservations, economic conditions-based reservations, and other reservations. So, the question is, once you open up these legal service sectors, whether these rules are applicable to these particular sectors. It is also a question.

## Domestic Regulation

- **Reduction of environmental impacts and other externalities - road transport; tourism**  
Policies: prohibition of weekend or night traffic; zoning laws; environment-related standards
- **Macroeconomic stability – financial services - Policies: minimum equity requirements; diversification of assets; other prudential standards.**
- **Avoidance of market dominance and anti-competitive conduct – all sectors - prohibition of collusive arrangements; monitoring of market developments; price surveillance; harmonization of technical standards; promotion of new market entries**
- **Avoidance of tax evasion, fraud, etc. – all sectors - disclosure requirements; monitoring and policing.**



Then also, you can see some of the other services, environmental impacts and environmental assessment services, transport services, and tourism services. So, we can see again these particular laws: environmental impact studies and other external provisions are also a problem. Then, macroeconomic stability. So, always the foreign banks, foreign financial institutions, and those who work in the country have to look into macroeconomic stability. And also, avoidance of market dominance and application of anti-competitive conduct. Like collusive arrangements, cartel formations, tie-in arrangements, horizontal as well as vertical arrangements, all these can happen, all these will affect the Indian market. Then, tax avoidance or tax evasion. So, disclosure requirements and monitoring and policies are also very important.

## Regulatory Issues

- **Limit** - Domestic regulations should not be more trade restrictive or burdensome than necessary to achieve a specific, legitimate objective.
- **Transparency** - Reasonable advance notice before implementation
- **Public availability to service suppliers** — easy to find, easy to read
- **Specification of reasonable time periods** for responding to applications
- **Information provided** as to why an application was declined
- **Information provided on procedures for review** of administrative decisions





So, regulatory issues, we can see here the limitations put on the schedule. Domestic regulation should not be more trade-restrictive or burdensome than necessary to achieve a specific legitimate object. We saw the SPS Agreement; you can impose limitations only to the extent of achieving a specific legitimate objective. Transparency: all reasonable notice should be given in advance for the implementation. So, public availability to service suppliers - should be advertised, and it should be easily available to people who are searching for a service. Reasonable time periods, responding to applications and information provided as to why the application was declined and then procedures and adversarial decisions are also very important.

## Equivalence Issues

- **Account should be taken of relevant qualifications and experience a supplier may have obtained abroad.**
- **International Standards - Acceptance of international standards could facilitate the evaluation of qualifications obtained abroad.**

And equivalency issues: equivalency of qualification I have already mentioned that it is a problem in India. Equivalency of education qualifications, whether it is a legal sector or any other sector, is a problem in India, and we have to accept international standards and facilitation and certification. So, equalisation or you can see equivalence and international certifications to be adopted by India. Our degree holders can avail of the service or provide the service in other countries, and foreigners can also be subject to this certification can practice in India as well.



## Recognition of Degrees

- Article VII of the GATS encourages Members to enter into **mutual recognition agreements** or arrangements with other Members for the purpose of recognizing the education or experience achieved,
- or the standards, licenses or certification granted in particular countries.
- Furthermore, Members are required, in recognizing **foreign standards**, education, certification or licensing,
- not to discriminate between countries in the application of its standards or criteria for the authorization,
- licensing or certification of services suppliers or, a disguised restriction on trade.



We already talked about the highly problematic area, which is the recognition of degrees. In India, certification and licensing are connected with qualifications and these qualifications, as I told you, are very important for practising in the legal sector, for practicing in other areas. So, recognition of degrees is also a problem. For example, in India, there is only one agency. So, the Association of Indian Universities gives an equivalent certificate. So, it is a lengthy procedure, and it may not be fitting to the scheme of GATS.

## GATS Administration

- The top decision-making body of the WTO is the Ministerial Conference,
- General Council represents the MC.
- The Council for Trade in Services operates under the guidance of the General Council and is responsible for overseeing the functioning of the General Agreement on Trade in Services (GATS).
- The Committee on Trade in Financial Services
- The Working Party on Domestic Regulation
- The Working Party on GATS Rules
- Committee on Specific Commitments



And the entire GATS administration is the WTO ministerial conference. The WTO General Council is under the WTO ministerial conference, is known as the GATS council. The service council under the ministerial conference takes care of all the responsibilities and functioning of this particular Agreement. And also, you can find a

committee on trade and financial services, a working party on domestic regulation, a working party on GATS rules and a committee on specific commitments also you can find.

## Dispute Settlement

- **Step 1:** A Member requests consultations with another Member which it considers to have breached its obligations or otherwise impaired benefits under the GATS.
- **Step 2:** Consultations between the two Members are held to reach a mutually satisfactory solution.
- **Step 3:** If the consultations fail to resolve the issue, the complaining Member may request the establishment of a panel of three independent experts. These are generally chosen from an existing roster of qualified panelists.
- **Step 4:** The panel examines the complaint in the light of the relevant legal obligations, and has six months to issue a report with binding recommendations for adoption by the dispute-settlement body (DSB).
- **Step 5:** Any party to the dispute may appeal the panel ruling before the WTO Appellate Body.
- **Step 6:** The Appellate Body examines the appeal, and has up to 90 days to deliver its report.
- **Step 7:** The panel ruling is adopted by the DSB (including any modifications decided by the Appellate Body), unless there is consensus not to adopt.
- **Step 8:** The Member concerned has time for implementation.
- **Step 9:** In the absence of full implementation within the specified period, a party to the dispute may request permission from the DSB to suspend equivalent commitments with respect to this Member.



So, all the disputes under the service Agreement are also under the dispute settlement understanding agreement of the WTO.

## Time Limit

60 days	Consultations, mediation, etc
45 days	Panel set up and Panelists appointed
6 months	Final panel report to parties
3 weeks	Final panel report to WTO Members
60 days	Dispute Settlement Body adopts report
Total=12 months	Without Appeal
90 days	Appellate Body report
30 days	Dispute Settlement Body adopts Appellate Body report
Total= 15 months	(With Appeal)



So, we will see in the coming classes the workings of the WTO dispute settlement system in detail.

## Enquiry points and Contact points

- All members are required to make enquiry points and contact points.

So, another provision is the enquiry points, every member to make an enquiry point on services at the domestic level.

**Box 7.4 : Policy suggestions for India's services sector**

Some policy suggestions for India's services sector based on interactions with service providers and literature survey are given below. This is only an indicative and not exhaustive list.

**FDI related**

- Opening some segments of the insurance sector like health insurance and removing the 10-year disinvestment clause, and liberalizing FDI in the animation sector.
- Making available FDI policy on the website in a user-friendly way.

**Tariff and Tax related**

- Rationalizing taxes in the shipping sector and addressing the issue of multiple levies and duties in the telecom sector.
- Rationalizing the entry fees for monuments and privatization of these services.
- Relocation of business of the Indian film industry from foreign countries to India by addressing the tax credit issue.
- Addressing the inverted duty issue in the printing sector.
- Allowing advance tax instead of tax deduction at source (TDS) in some services like engineering and construction.
- Abolishing octroi at least for capital goods used in hospitals including super speciality hospitals exporting health-care services and in health-related research centres.
- Making TDS uniform for all heads of income with exemptions for small incomes up to a certain minimum limit.
- Expediting the measures related to transfer pricing.
- Single return for service tax and excise tax which is being administered by the same department.

**Credit and Finance related**

- Exempting ECEs from withholding tax for financing export-related activities and overseas acquisition including of ships.
- Encouraging venture capital in services.
- Operationalizing offshore financial centres.

**Other trade related**

- Increasing visibility of India in services through trade fairs, buyers-sellers meets and setting up convention centres; facilitating services exports by setting up joint offices with common facilities, setting up a portal for services and devoting some SEZs exclusively to services.
- Speeding up 3G technology auctions.
- Strengthening Indian fleets and providing long-term contracts for Indian flags.
- Resolving the issue of precondition in most of the overseas tenders wherein equipment to be supplied by the contracting company should necessarily be sourced from an approved list of suppliers from developed countries.
- Facilitating International accreditation for Indian health services.
- Tapping outsourcing opportunities in niche areas like actuarial and accounting services.
- Totalization agreements with target countries and necessary changes in domestic laws.
- Revamping the system of teaching, research, etc. in universities/ institutions, phased introduction of education reforms, allowing foreign educational institutions in higher education with proper checks and balances, etc.
- Skill certifying unskilled labour.

Source : Ministry of Finance, Government of India, "Draft Policy Paper on Services 2009" and "Strategy for India's Services sectors: Broad Contours", Working paper No.1/2007/DEA.

So, you can see the policy suggestions. There are 'n' number of policy suggestions, FDI related and movement of persons related and tariff-related and other related policy suggestions are available.

## Indian Commitments

- Indian Schedule.

So, if you look into the Indian commitments, you can see the bound and not bound areas, a huge area of not bound areas you can find.

## Conclusion

- **Legal Service Sector is also one of the proliferating profession that enhances the trade in service sector.**
- **India, as the member of the GATS, has also significant contribution in the growth of the legal services sector, that merged with global trade in service sector.**

And still, we have not opened up some of these particular sectors. So, in conclusion, I would say that specifically legal service sector is a very complex issue for countries like India because there is a whole lot of opposition from the fraternity, the lawyers fraternity in India and most importantly, the agencies or the apex regulatory agencies like the Bar Council of India is not in favour of opening up of this sector that is why have not opened this sector for the last 20 years. And for some of the other areas like, for example, the education sector, we hope that these sectors are going to be opened up very soon by the Government of India (GoI), and I am very sure that India is going to be benefited from

opening up of these particular sectors and the Indian economy is going to be benefited by opening these particular sectors.  
Thank you.