AILF INSIGHTS · THE INDUSTRY

The rise of the General Counsel: how the client has changed

In-house legal teams in India now decide how legal work is bought. What General Counsel expect from law firms, and how firms should respond.

Twenty years ago many Indian companies had a small legal cell that passed work to outside lawyers. Today large companies have General Counsel who sit with the board, run sizeable teams and decide which firms are engaged, on what terms and at what price. This shift has changed the market more than any regulation.

What the modern General Counsel does

- Advises the board on risk, governance and regulation.
- Handles a large share of routine work in-house.
- Selects outside counsel through panels and formal reviews.
- Manages legal spending against a budget.
- Leads the response to investigations, crises and major disputes.

The budgets they manage

The sums are large. Nifty 500 companies reported legal expenses of ₹68,210 crore in FY2026, up 13.5 per cent, and the Nifty 50 alone reported ₹25,519 crore, on data compiled by The Economic Times. In FY2025 Reliance Industries reported ₹3,459 crore, Sun Pharmaceutical ₹3,261 crore, Coforge ₹1,664 crore, Infosys ₹1,655 crore and Larsen & Toubro ₹1,615 crore. A General Counsel at a company of this size manages a legal budget larger than the revenue of most Indian law firms.

What they expect from firms

Commercial understanding. Advice that ends in a recommendation, not a list of possibilities.

Predictable fees. Fixed or capped fees, with early warning when scope changes.

Responsiveness. Clear timelines and one accountable partner.

Depth beyond one name. A team that performs when the senior partner is unavailable.

Clean conflict and confidentiality practices. Increasingly checked through questionnaires and audits.

Use of technology. Firms are asked how they use tools for research, document review and reporting.

The opening for smaller firms

Panels are no longer reserved for the largest names. General Counsel often prefer a capable mid-sized or regional firm for work close to a plant, a project site or a particular High Court. Firms that present themselves professionally, with clear engagement terms and reliable reporting, can win and keep this work.

The open question of status

How in-house lawyers are treated under the Advocates Act has been debated in recent drafts of proposed amendments, including whether they fall within the definition of legal practitioner. The outcome will affect professional privileges and the relationship between in-house counsel and the Bar.

Working better together

- Agree scope and fees in writing at the outset.
- Give the client's team access to work in progress.
- Share knowledge through briefings and training.
- Ask for feedback at the end of each matter and act on it.

Why this matters to the industry

General Counsel are the profession's most informed buyers. Their expectations pull firms towards better governance and service. An industry body that brings General Counsel and law firms into the same room helps both: firms learn what clients need, and clients find firms they did not know.

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