AILF INSIGHTS · BUILDING A FIRM

How to start a law firm in India: partnership, LLP and first steps

A step-by-step guide for advocates setting up a law firm in India: choosing a structure, writing the partnership deed, compliance and early systems.

Many advocates reach a point where a chamber is no longer enough. Clients want a team. Juniors want a future. Starting a firm is the natural step, and doing it properly at the beginning saves years of difficulty.

Step one: decide who is in

A firm is a long relationship. Choose partners whose practices complement yours and whose standards you trust. Agree openly on money, effort and ambition before anything is signed.

Step two: choose the structure

- **Partnership firm** under the Indian Partnership Act, 1932. Simple to form. Partners carry unlimited personal liability. Registration of the firm is advisable.
- **Limited liability partnership** under the LLP Act, 2008. A separate legal entity with limited liability for partners, registered with the Ministry of Corporate Affairs and subject to annual filings.

All partners must be advocates. The Bar Council rules do not permit partnership or fee-sharing with non-advocates.

Step three: write the deed carefully

The partnership deed or LLP agreement should cover:

- capital and profit shares, and how they change;
- decision-making and voting;
- admission of new partners;
- retirement, expulsion and death;
- ownership of the firm name and client files;
- restrictions after exit, within the limits of the law;
- dispute resolution among partners.

Step four: complete the basics

PAN, a bank account in the firm's name, GST registration where required, professional tax where applicable, and proper books from the first day.

Step five: build systems early

- A standard engagement letter for every client.
- A conflict check before accepting any matter.
- A filing system, digital and physical, that any member of the firm can follow.
- Time and expense recording, even if you bill fixed fees.
- A policy on confidentiality and data security.

Step six: name and presence

Choose a name consistent with professional rules. Keep the website factual and within the Bar Council's permitted categories.

Step seven: people

Pay juniors fairly and train them on purpose. A firm's reputation is made by its associates as much as by its partners.

Common mistakes

- No written deed.
- Equal shares agreed without discussing unequal contribution.
- Dependence on one client.
- No plan for a partner's exit.

A final thought

A firm is an institution, not a larger chamber. Build it so that it can outlast its founders, and it will serve clients, colleagues and the profession for decades.

Association of Indian Law Firms · November 2026
Read online: https://indianlawfirmsassociation.com/how-to-start-a-law-firm-in-india/

Keywords: how to start a law firm in India, law firm LLP registration, partnership deed lawyers, new law firm checklist
Published by the Association of Indian Law Firms. General information only; not legal advice.