

ing of the deed but would not say to his clients, "I will draft the partnership deed and you can depend upon it if any dispute were to arise in regard to its interpretation". Therefore, for my hon. friend to say that if there is a firm this will act as a speci-list agency in the matter of company law, partnership deed or the drafting of the memorandum and articles of association, etc., etc., . . .

SHRI SATISH CHANDRA: I did not use the word "drafting".

SHRI V. K. DHAGE: They have either to draft it or read it or interpret it. The firm will have to do something with the partnership deed and, therefore, no chartered accountant will take the responsibility of that type, and my hon. friend's arguments cannot sustain that point. I do not mind that because my hon. friend himself has admitted in the beginning that he is not conversant with the profession and that he does not know as to how the profession is conducted.

He, referring to the hereditary nature of the business, said that there can be no such thing as "hereditary business", that there cannot be a "hereditary profession". There is no such thing as inheritance or succession. I have not used the word "hereditary" in that particular sense. I have used the word "hereditary" in the same sense in which the hon. Minister, Shri Lai Bahadur, used it, more or less in inverted commas. Many firms are there which are existing in this manner. What is required is that a man passes the examination and becomes a partner afterwards. I have not said that it is a matter of legal succession or inheritance by which he gets into the profession on his own. He has got to pass the regular examination conducted by the Institute and then only can he get into the profession *vis-a-vis* another man who has passed the examination and wants to get into the profession. There is a good bit of difference there and if he wants to get into the profession, he has got to pay some money, as admitted by the President of the Institute of Chartered Accountants when he

appeared before the Joint Committee on the Bill to amend the Companies Act. The argument was, "Why should they not?". Even though what my hon. friend says, that there is no such thing as inheritance, etc., is true strictly speaking, but in practice it happens. I will plead with my hon. friend and say that he will do immense good to the profession, in general and to the juniors in the profession, in particular, if he were to accept the amendment that I have given notice of. I hope and will continue to hope, that he will one day be converted to my point of view, and I will continue to persuade him in this matter.

SHRI SANTOSH KUMAR BASU: There is only one word that I shall say in regard to what my hon. friend has said last, as regards the hereditary nature of the vested interests in a partnership firm. So far as that is concerned, it is only natural that if a successful chartered accountant has got a son in the profession he will take him as his partner in due course and, so far as the clients are concerned, they are probably more inclined to place reliance upon the son of an old chartered accountant well-known to them than in others. But, Sir, it does not necessarily follow that the partnership business shall continue to be hereditary. It so happens that after a certain time others come in, others who have nothing whatsoever to do by way of relationship with the founder of the firm. My friend's contention reminded me of a story and if I may take two minutes of your time, I shall narrate a story that was told in Calcutta. I might give that for the benefit of the House. There was an old established European firm; let us call it. Martin, Skinner & Co., originally started by two gentlemen named Martin and Skinner. In due course, Mr. Martin retired from India. After some time Mr. Skinner followed suit and other people came and joined the partnership. In that state of affairs, the old Head Clerk came to the new senior partner and told him .

Lsnn santosn tuimar Basu.J [MR. DEPUTY CHAIRMAN in the Chair.]

I was just telling the House, Sir, a story of a firm in Calcutta, an old firm which I have called Martin, Skinner & Co. It ceased to have both Mr. Martin and Mr. Skinner and a new senior partner came in. At that time, the old Head Clerk came to the new senior partner and said, "Well, Sir, Mr. Martin gone, Mr. Skinner gone. What remains is '& Co.'" So, Sir, the same thing may happen in any partnership business and so, the question of hereditary does not arise at all

SHRI SATISH CHANDRA: I must admit, as Mr. Dhage has pointed out, that I have not got experience of the profession; he has got plenty of experience of that profession. Well, Sir, my difficulty is that 3 P.M. chartered accountants themselves differ on this matter and perhaps Mr. Dhage is in a very insignificant minority. And not being in the profession, I think I can take a more detached view of this matter, of course, after having listened to Mr. Dhage and to the other view which is not similar to his own. Many distinguished members of the profession as well as a large body of chartered accountants and cost and works accountants, I suppose, have got a definite view that the firms and partnerships should be allowed to continue in the profession. The firms have got many advantages as I have pointed out before. Mr. Dhage, evidently has his own difficulties and

MR. DEPUTY CHAIRMAN: And so you oppose the amendment?

SHRI SATISH CHANDRA: But please let me finish my sentence.

MR. DEPUTY CHAIRMAN: This point has been sufficiently debated.

SHRI SATISH CHANDRA: True, but Mr. Dhage made a long speech, Sir, when you were not in the Chair.

MR. DEPUTY CHAIRMAN: No amount of repetition will convince. So you oppose the amendment?

SHRI SATISH CHANDRA: Yes, Sir.

MR. DEPUTY CHAIRMAN: The question is:

1. "That at page 2, line 12-13, the words 'or in partnership, with one or more members of the Institute in practice' be deleted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3 was added to the Bill.

Clause 4—*Entry of names in the Register*

SHRI V. K. DHAGE: Sir, I move:

2. "That at page 4, line 8, for the words 'three hundred' the words 'one hundred' be substituted."

MR. DEPUTY CHAIRMAN: Clause 4 and the amendment are before the House.

SHRI V. K. DHAGE: Sir, I need say only a few words in support of my amendment. I had explained last time that there is no parity in the question of charging the entrance fee. When a student has passed the examination and when he wants to enter this profession of cost and works accountancy or wants to be enrolled on the Register of cost and works accountants, he is required to pay Rs. 300.

MR. DEPUTY CHAIRMAN: And you want it to be reduced to Rs. 100.

SHRI V. K. DHAGE: But then a person who is an Associate and who has been in practice for five years and has been earning money—he cannot remain in practice unless and until he has been having sufficient practice—for such a person, it is provided that the entrance fee shall be Rs. 200. Here, it seems to me that the