

Home (1919) Department.
(Education)

Ordinary SERIES.

G.O. No. 554

DATED 4-5-1919

INDEXED

[Despatch Abstract.]

Accountancy Diploma Board, Bombay.

Rejecting the memorials of M.A. Ry. P.S. Lakshmana Rama
Iyyar and others praying that ~~Accountancy~~ under the Madras
Government Technical Examination scheme Diplomas in commerce
may be awarded Diplomas in Accountancy without being required
to attend the classes and examinations of the-----.

PAPERS PUT UP WITH CURRENT No. _____

Papers of the department to which the current belongs.

Number.	Date.	Original (=0) or spare copy (= S.C.).	Remarks. (In this column such of the papers as have been removed for copying, printing, etc., should be marked with a cross.)	Initials of Referencer with date in token of return to Reference department

Papers of other departments.

Department.	Number	Date.	Original (=0) or spare copy (= S.C.).	Initials with date of (1) Referencer acknowledging returns of the paper concerned or (2) Despatcher to denote the return of the papers to the department concerned.

Home



Page No. 56

To

His Excellency The Right Hon'ble

JOHN BARON PENTLAND OF LYTH, P.C., G.C.I.E.,

Governor-in-Council,

Fort St. George.

Through

The Chief Secretary to the Government of Madras,

THE REGISTRAR OF JOINT STOCK COMPANIES,

MADRAS.

Home (Ed.) Dept.

Home (Education) No.

Jude 3746C-1

21-12-18

20-12-18

21-12-18

The Humble Memorial of M.R.Ry.,

P.R. Lakshmana Rama Iyer,

Government Diplomat in Commerce and
Gold Medallist, Qualified Accountant and
Auditor, 107, Veeraragaya Mudali Street,
Triplicane, Madras.

Most Respectfully Sheweth,

That the memorialist is one of the few Government Diplomates in commerce who have been adversely affected by G. O. No. 813, Home (Education), dated the 6th June 1917, sanctioning the formation of a Government Institute of

Commerce in Madras with a view to the training of public accountants and auditors and the granting of Diplomas in Accountancy on the lines of the Accountancy Diploma Board of the Bombay Government and hence craves Your Excellency's kind and sympathetic consideration of the following grievances and prays for early orders and proper redress.

2. Although Government are conducting examinations in commercial subjects and granting commercial diplomas, the amount of physical and mental labour and financial strain involved in connection therewith does not appear to have been adequately recognised.

3. The Government having since felt the necessity of training duly qualified auditors and accountants and promulgated the Government Order referred to in para 1, the recognition of the Diplomas in Accountancy granted by the Accountancy Diploma Board, Bombay, brushing aside the claims of those who were already granted Diplomas in Commerce by the Government of Madras, is a great and unjust hardship to the Memorialist who prays for redress at the hands of Your Excellency.

4. A perusal of the comparative statement of the courses of study, hereunder given, as adopted by the different examining bodies, viz., the Accountancy Diploma Board, Bombay, the Government Technical Examinations, Madras, the Institute of Chartered Accountants, London, and the Society of Incorporated Accountants and Auditors, London, will show that the standard of study that was adopted in this Presidency was not inferior to that adopted by the other examining bodies. Reference was made to the above to some extent by the Registrar of Joint Stock Companies in para 5 of his note on the draft scheme, dated 1-4-1916, published in page 112, part (2) of the Fort St. George Gazette dated 26-3-18. Under these circumstances, it is a matter for regret that the local commercial diploma has not been recognised by the Government as equal to the final examinations of the Accountancy Diploma Board, Bombay, and holders of such diplomas were not even exempted from attending the classes of the Institute and appearing for the examinations, though recommended by the Registrar of Joint Stock Companies in para 10 of his note on the draft scheme above referred to and though auditors holding temporary certificates are exempted from attending the classes and from practical training, but asked to appear for the final examinations. It is a sad misfortune of the Memorialist that the case of the local Diplomates in Commerce was left out of consideration.

A COMPARATIVE STATEMENT SHOWING THE SYLLABUSES OF THE
DIFFERENT EXAMINATIONS.

Society of Incorporated Accountants and Auditors, London, and the Society of Chartered Accountants, London.	Accountancy Diploma Board, Bombay.	The Commercial Diploma of the Government Technical Examinations, Madras.
1. Advanced Book-keeping and Accounts, inclusive of a detailed knowledge of various books of account of different special concerns.	1. The principle and practice of Book-keeping and Accounts including a knowledge of the systems of accounts in use in different classes of business.	1. Advanced book-keeping and accounts with a detailed knowledge of the books required for the business of Joint Stock Companies, manufacturers, bankers, life insurance companies and for special kinds of business and also the form of presentation of accounts of such concerns.
2. Partnership and executorship accounts and the law relating to partners & executors.	2. Accounts included in item 1 supra under this head and the Indian Law of Contracts.	2. Accounts included in item 1 supra under this head; the law relating to the relation of banker and customer, Joint Account, trust and partnership accounts, and the Indian Law of Contracts with reference to sale of goods, agency and partnership.
3. Auditing, methods and principles, and points to be attended to in auditing account books, final accounts, etc.	3. Same as shown in this section under the Society's syllabus.	3. Same as shown in this section under the Society's syllabus.
4. Rights and duties of Liquidators, Trustees and Receivers.	4. Insolvency and Arbitration and the Indian Companies Act in respect of liquidators, trustees and receivers.	4. The Provincial and the Presidency Towns Insolvency Acts and the Indian Companies Act in respect of liquidators, trustees, and receivers and awards.
5. Joint Stock Company and Bankruptcy law and principles of the same.	5. The Indian Law relating to Joint Stock Companies, Life Insurance Companies, Provident Insurance Societies.	5. The Insolvency Law above referred to under this head and the Indian Companies Act and a special study of the law and accounts of life, provident, etc., insurance societies.
6. Mercantile law inclusive of bills of lading, charter parties, marine insurance, sea customs, cheques, bills and promissory notes, etc.	6. The above acts and Indian Law relating to negotiable instruments, charter parties, bills of lading, fire & marine insurance, and main provisions of stamp & limitation acts.	6. The Law relating to bills of lading, charter parties, marine insurance, sea customs, Indian companies, negotiable instruments, relation of banker and customer and the different acts shown above under this head with limitation coinage & paper currency acts, etc.
7. Law of Arbitrations and awards.	7. Law of Arbitration.	7. The Indian Companies Act with reference to arbitration and awards.
8. General Commercial Knowledge.	8.	8. Commercial History of the World; Commercial Geography of the World with a detailed study in Trade Statistics; Banking, Currency and Economics.

[N. B.—All under the head of the Commercial Diploma of the Government Technical Examinations, Madras, can be verified by a perusal of the syllabuses of the Government Technical Examinations under Book-keeping (Advanced), Theory and Practice of Commerce (Advanced), Commercial Geography (Advanced), and Banking (Intermediate)].

Home (Ed.) 26740
21-12-18

5. The one defect in the case of some of the local diploma holders is they have not the requisite practical training. It is only just to exempt them from attending the final examinations of the Accountancy, Diploma Board and award Diplomas in Accountancy when they have the necessary practical training as an apprentice under a Certified Auditor.

6. That the memorialist begs to state that Diplomas in Commerce are being given to those who have passed in 1 Book-keeping, Accountancy and Auditing (Advanced Grade), 2 Theory and Practice of Commerce and Commercial Law (Advanced Grade), 3 Commercial Geography and Commercial History of the World with a study in Trade Statistics (Advanced Grade), and 4 Banking and Currency and Economics (Intermediate Grade, being the highest Grade) and that all these highest grades of examinations are comprehensive and varied and sufficient to make the diplomate an expert accountant and auditor.

7. That the Memorialist believes that there will be only a few such diplomates in this Presidency and prays that they may be exempted from attending the classes of the Institute and from appearing for the examinations under the condition laid down in para 5.

8. That, in consideration of the above circumstances, the Memorialist most earnestly prays that Your Excellency may be graciously pleased to ameliorate the lot of the Diplomates in Commerce in this Presidency, the memorialist being one of them, and grant relief on the following lines:—

(i) that Diplomates in Commerce may be exempted from attending the classes and the examinations of the Accountancy Diploma Board, Bombay, and that they may be awarded 'Diplomas in Accountancy' when they show certificates of apprenticeship as shown in Article 12 of the Regulations of the above Board; and,

(ii) that Diplomates in Commerce, having practical training as auditors and holding temporary certificates under Section 144 (2) of the Indian Companies Act, who are only very few, may be exempted from attending the examinations mentioned in Article 6 of the Regulations of the above Board and be awarded 'Diplomas in Accountancy'.

Your Excellency's humble Memorialist prays finally that he may be benevolently forgiven the liberty which, through severe stress of circumstances, he has been forced to take in laying the above representations before Your Excellency-in-Council and he earnestly submits that for the justice and benevolence he seeks on his behalf he shall, as in duty bound, ever pray.

Dated 16th Dec. 1918.

[Signature]
Memorialist



File No. 160
3-1-19-5

To

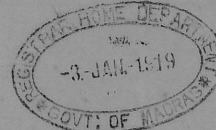
His Excellency The Right Hon'ble

JOHN BARON PENTLAND OF LYTH, P.C., G.C.I.E.,

Governor-in-Council,

Fort St. George.

Through



THE CHIEF SECRETARY TO THE GOVERNMENT OF MADRAS,

M A D R A S.

Rgs.

Home (Ed.) 26740

Home (Education) 40.

101.
4-1-19

101.
4-1-19

101.
7-1-19

The Humble Memorial of

M.R. Ry., P.R. LAKSHMAN RAO, Govern-

ment Diplomate in Commerce and -

Gold Medallist, Qualified Accountant

and Auditor, 107, Meeraragava

Mudali Street, Triplicane, MADRAS.

Most Respectfully Sheweth,

That, in continuation of his memorial dated --- 18th December 1918, the Memorialist humbly begs to submit the following facts to be taken into consideration when passing final orders:--

In the Government Notification No. 18 dated --- 25th January 1893 on Government Technical Examinations, it is clearly stated that the institution of these examinations is intended, among others, to create a body of --- Accountants, Auditors etc. This fact has been mentioned in the 2nd sentence of para 7 of my letter to the Government of India dated 19th August 1910 re--the amendment of

[Signature]

of the Audit Section of the Indian Companies Act of 1892 (Vide Appendix A.). Finding that the holding of these examinations on commercial subjects would be quite ---- inadequate without an Institution to impart instructions on the right lines, the Government School of Commerce was opened at Calicut early in the year 1895. The Syllabus, published in January 1893, of Advanced Book-keeping contains among others, the following:--

The examination shall comprise--

(1) A written examination.

Two papers of three hours' duration each.

(2) An oral examination.

Chiefly on "Designing and Auditing".

A few test questions on Auditing were and are being incorporated in the Theory paper on Advanced Book-keeping or Accountancy. Further, the oral examinations that existed till the year 1903 or 1904 for Advanced students of Accountancy and Commercial Law were chiefly intended to test their knowledge in those subjects and particularly on "Designing and Auditing". (Vide the old syllabuses published in January 1893.)

The subjects for the "Diploma in Commerce" -- course are sufficiently comprehensive and varied to make one an efficient Auditor as will be seen from the comparative statements given in page 3 of my letter dated 18th December 1918 and in page 3 of Appendix A. But the only drawback in the present "Diploma in Commerce" course is the absence of a separate paper on "Auditing". This -- defect can now be removed by including, in the syllabus for Advanced Book-keeping and Accountancy, a separate -- paper on "Auditing".

In his book entitled "The First Decade of Commercial Education in the Presidency of Madras" Part I

Part I page vi, Mr. K. Subramania Ayyar, now the Secretary of the Accountancy Diploma Board, Bombay, expresses the following opinion about the "Diploma in Commerce" of the Madras Government:--

"The Diploma in Commerce is granted to such as pass the Advanced Examinations in Book-keeping, Commercial Correspondence and Commercial Geography and the Intermediate Examination in Banking. A Group certificate etc., * * * * *".

"Thus though we, in Madras, have no University of Commerce as advocated by Mr. Howard Vincent, M.P., in 1887, and no degree known as the Doctor of Commerce, advocated by the Journal of the London Chamber of Commerce in 1887, we have now examinations of a sufficiently high standard qualifying for a Diploma in Commerce."

Therefore that, in consideration of the above ~~clear~~ clear facts, the Memorialist most earnestly prays that your Excellency may be graciously pleased to grant relief to the existing "Diplomates in Commerce" of the Local Government-- --who, after all, are only a few, --on the lines prayed for

para 4 supra in para 8 of his memorial dated 18th December 1918.

For which act of justice and benevolence, the Memorialist, shall, as in duty bound, ever pray,

The Cauvery Rice Mills,
(Camp) Mysore,
31st December 1918.

[Signature]
Memorialist.

Page No. 63
Appendix. A.

FROM

P. R. Lakshman Ram Avl.,

Government Diplomat in Commerce and Gold Medallist,

Public Accountant and Auditor, Triplicane,

MADRAS.

TO

The Secretary to the Government of India,

Legislative Department, CALCUTTA.

SIR,

In the matter of the amending the Indian Companies' Act on the lines of the English Companies' (Consolidation) Act of 1908 that is now in contemplation of the Government, I beg to respectfully submit my humble views as regards the *audit* section, i. e., Section 74 of the Indian Companies' Act for your favourable consideration.

1. The modern tendency of the public of this country is to form Companies under Limited Liability system. The promoter, who invariably becomes the Secretary, generally forms the first Directorate with his own men, and then persuades the share-holders to re-elect almost all of them in succeeding years. The average shareholder cannot be expected to know how things can be withheld from publication, how defalcations can be made even without the knowledge of the Directors, and how it would be easy for the Secretary and other Officers to go against the Articles of Association, to work the Company to their exclusive benefit, showing outwardly that it works at a large profit and yet remain undetected with the Directors on their side.

2. Naturally, the Secretary and even the Directors are always in favour of appointing their own men as Auditors—whether literate or illiterate—merely to sign the Balance-sheet and Profit and Loss accounts prepared by them without any scrutiny whatsoever, in order simply to meet the technical and formal requirements of the Indian Companies' Act. For instance, in a Company where the question of electing an Auditor came for disposal, the Directors, who always form the majority of a quorum for a general meeting, said that if a qualified man is appointed he would not sign the Balance-sheet as placed by them before him without making a fair report to the shareholders after careful scrutiny, a contingency which they wanted to avoid, as it will expose their shortcomings; hence, they were in favour of appointing—not electing—their own man, who was illiterate and did not know even the A. B. C. of accounts, as Auditor, in spite of applications from qualified men. Such instances are too many to be mentioned. Generally, the unqualified Auditor simply signs the Balance-sheet as placed before him without making a report and pockets his fees.

3. The object of the Legislature in electing the Auditor in General Meeting by the General Body of shareholders is to make the Auditor scrutinize the accounts of the concern as their representative, to report them on the proper discharge of the duties legitimately expected from the Directors and the Secretary and generally to see that the interests of the shareholders are not prejudiced by the Directors and other officers being bent on swelling their own pockets. This noble object is not fully carried out, since the wording of the Act does not make it clear

as to who should be an Auditor. It simply says :—“ And once at least in every year the accounts of the Company shall be examined, and correctness of the last Balance-sheet and its conformity with the Law ascertained and certified by one or more auditor or auditors.” With this wording the ingenious Directors of the concern tie the hands of the unqualified Auditor by falsely interpreting the section to mean that the Auditor is simply to see the arithmetical accuracy of the accounts placed before him. Such an Auditor will naturally abide by the dictates of the Directorate. Hence the Law requires clearness in this direction.

4. Further, the general public, i. e., the shareholders are made to understand by these Company-promoters and are under the false impression that because the Company is registered and periodical statements are submitted to the Registrar of Joint Stock Companies every now and then, their interests are not jeopardised, but always safe and sound under the kind care of the Government authorities. With this idea dominating in their mind, they pass the Balance-sheet even though there is no report by the Auditor. This idea is merely illusory, and to eradicate such a view from the public mind is not possible, neither is it possible to have Departmental Audit by Government Agency.

5. In view of the benign British Government's desire to protect and safe-guard the interests of its innocent subjects, in view of the increased growth of ephemeral companies with the sole object of swindling the public, in view of the fact that the State has some responsibility in this matter from the wider aspect of the protection of the community, in view of the very low degree of special or even general education which the average company auditor now possesses, in view of making the Accountancy profession as dignified as other professions and in view to promote a fair progress all round, I respectfully beg to suggest that in the audit clause of Section 74 the word “ Qualified ” may be inserted before “ Auditor,” together with such other formalities to be observed by such auditor in scrutinizing the accounts as the shareholders' representative, as the Government may deem fit.

6. Now, the question may naturally arise as to how to draw a line between “ Qualified ” and “ Unqualified ” Auditors. I think the Provincial Governments may be allowed to decide the question where there exists examinations for the qualification of an Auditor, and such examinations are under the control of the Government or the Head of the Educational Department. For instance, in Madras we have the “ Diploma in Commerce ” of the Madras Government Technical examinations. This Diploma includes :—

I. Advanced Book-keeping including Auditing.

II. Advanced Theory and Practice of Commerce which includes in its turn :—

- (a) Law relating to Bills, Cheques, Handis, &c., i. e. Indian Negotiable Instruments Act, (b) The Indian Companies' Act, (c) The Indian Trusts Act, (d) The Indian Insolvency Acts and the Bankruptcy Law, (e) Law of Partnership, (f) The Indian Limitation Act, (g) The Indian Sea Customs Act, (h) The Indian Ports Act, (i) Law of Marine Insurance, (j) Law relating to Bills of Lading and Charter-Parties, (k) Law of Banker and Customer.

III. Banking and Political economy including the Indian Currency Act.

IV. Advanced Commercial Geography and Commercial History of the World.

These subjects are sufficiently comprehensive and varied to constitute an expert Accountant and Auditor and favourably compare with the examination of the Institute of Chartered Accountants and of the Incorporated Society of Accountants and Auditors of London, the two recognised public Accountancy Bodies in the United Kingdom, as shown here :—

Examinations.

	Examination Hours.	
	London.	Madras.
	C.A. S.A.A.	D.C.
Advanced Book-keeping including Auditing.	8 6	6
Commercial Law &c.	6 11	9
Banking proper and Com. Geography and History of the World }	0 0	9
	14 17	24

7. The Government of Madras may decide, for the matter of this section, that all Diplomates in Commerce of the Madras Government above the age of 23 with two years' apprenticeship under a practising Accountant or in the Government School of Commerce, Calicut, at the first instance, are “ Qualified Auditors.” The Government of Madras, in its notification of Government Technical examinations, clearly say that the examinations are intended to produce Accountants, Auditors, &c. If the Government has any doubt about the sufficiency of the “ Diploma in Commerce ” as a pass-port for a “ Qualified Auditor,” the Government of Madras may be asked to refer to the Director of Public Instruction, Madras, and through him to the Headmaster of the Government School of Commerce, Calicut, who is an expert in Commercial subjects including Accountancy and Auditing, with long experience as a teacher and an Examiner. If necessary, any necessary revision may be made by Provincial Governments, in the syllabuses for Book-keeping and Accountancy that may be already held in the Province to meet the end in view.

8. So far as I am aware, in India, it is only in the Madras Presidency that the Government holds a series of examinations in Commercial subjects, which, in efficiency and standard, is equal to the test for Auditors held by the two well-known Societies in London, the Society of Accountants and Auditors and the Institute of Chartered Accountants, London. In some other Provinces, a beginning has been made already in this direction, and it has only to be developed to adapt the end in view ; similar Government examinations may be instituted by all the other Provincial Governments on the lines of the examinations for Legal Practitioners, &c. The proper conduct of practising “ Qualified Accountants and Auditors ” may be vouchsafed, if need be, by an act just as the Legal Practitioners' Act. The above proposal may look somewhat abstruse at the outset, but will gain ground as years roll on if a move is made.

9. Now the question may be asked how to meet the demand for such qualified men all of a sudden, for which I beg to suggest that Government may follow a procedure similar to that adopted in the matter of replacing the lay-practitioners in the Law-Courts by qualified men in due course.

10. In the Interpretation clause of the Indian Companies' Act which is now under consideration, the words “ Qualified Auditors ” may be defined to mean “ persons who have taken Diplomas in Commerce or such other equivalent degrees as may be instituted by Local Governments, and the Members of the Institute of Chartered Accountants and the Society of Accountants and Auditors, London, who actually carry on business as “ Qualified Auditors,” with a Sannad from the Local Government on payment of a fee.”

11. In conclusion, I beg to respectfully submit :—

- i. That no members of the ephemeral Societies of Accountants existing in India or even in the United Kingdom, save the Institute of Chartered Accountants and the Society of Accountants and Auditors of London, should be recognised as “ Qualified Auditors.”

- ii. That no Body of persons in India should be allowed to confer degrees on anyone as passport for audit-practice, just as latter-day societies which have grown in the west as mushrooms with branches in India, and which are worked only on commercial lines to make profit out of them, or that certificates granted by such bodies will not be recognised for the purpose, so long as there are local examinations to test the efficiency of a "Qualified Auditor," conducted by Government or a Board appointed by the responsible head of the Education Department.
- iii. That a Register may be maintained by Local Governments of all practising "Qualified Auditors."
- iv. That I am in favour of giving primary importance to Local examinations conducted under Government supervision and control just as in Madras which will suit all local conditions and requirements in preference to examinations of the two outside recognised bodies of Accountants, Chartered and Incorporated, of London, which latter are adapted to the conditions of the United Kingdom.
- v. That in the Audit section of the Indian Companies' Act, Section 74, the word "Qualified" before "Auditor" may be inserted with all other additions as suggested in para 5 *supra*.
- vi. And that the interpretation clause may also be amended as suggested in para 10 *supra*.

MADRAS,
19th August 1910.

I beg to remain,

Sir,

Your most obedient servant,

P. R. LAKSHMAN RAM.

II.

In continuation of my letter of the 19th August 1910, *re* the proposed amendment of the Indian Companies' Act of 1882, I beg to respectfully bring to your kind consideration the following definition of a "Practising Qualified Auditor" for the purpose of the said Act:—

A Practising Qualified Auditor is a person skilled in the affairs of Commerce and Finance, and particularly in the accounts relating thereto, by a Qualifying Government Examination, who, on obtaining a Sannad from Government, places his services at the disposal of the community for remuneration, but not entirely at the disposal of any one individual, Firm, or Corporation, and who maintains an Office or place at which his services may be engaged.

The above is a modified definition of the one that appeared in the "Accountant," London, that widespread and recognised weekly organ of Accountancy throughout the world, London, to suit the Indian conditions of the present day.

CAMP, TIRUPATI,
16th March 1911.

I beg to remain,

Sir,

Your most obedient servant,

P. R. LAKSHMAN RAM.

TEMPLE & CO., MADRAS.

(True copy)

Robert Ram Ram

Time (30) Dept

Subject

Memorial from Mr. P. R. Lakshman

Rama Ayyar praying that the
best diplomas in Commerce with
Madras Presidency may be exempted
from attending the classes and examina-
tions of the Accountancy Diploma
Board, Bombay.

L. 2674 B of 18.

+ 36 B of 19.

Encl. N. 2674 B/18-1
2.1.19

2.1.19

Referred to the D.P.

for remarks in consultation
with the Registrar of
Joint Stock Companies.

7.1.19

87/19

7.1.19

To be reminded after a month.

7.1.19

Rees keeps with Encl. CR
9.1.19

To

The D.P. I. with two memorials.

+ an Encl. (to be returned
reply)

Copy to the Registrar of Joint Stock
Companies (P. & Encl.)

HOME (EDUCATION) DEPARTMENT.

Received 191 . Registered

Subject.



Submitting remarks on the memorials of certain Diplomates of Commerce in the Madras Presidency praying for exemption from attending the classes and examinations of the Accountancy Diploma Board, Bombay.

ENCLOSURES.

No.

Ref on Cur No. 288/1919.

Spare copies

Station Madras, Dated the 5th April 1919

From (Name) The Hon'ble Mr. R. Littlehales, M.A.,

(Designation) Ag. Director of Public Instruction.

To The Secretary to the Government of Madras,

HOME (EDUCATION) Department.

Sir,

In returning herewith the papers referred to me for remarks with Government Endorsement No. 2674 B/18-1, dated 8th January 1919, I have the honour to state that the Registrar, Joint Stock Companies, whom I have consulted and who has already received similar memorials addressed to Government through him which are also herewith submitted, remarks as follows :

(1) The requests of the memorialists are (a) that (local) diplomates in Commerce may be exempted from attending the classes and the examinations of the Accountancy Diploma Board, Bombay, and that they may be awarded 'Diploma in

para 8.0 +
the memorial
p 4 Supra

14
Accountancy' when they show certificates of apprenticeship as shown in Article 12 of the Regulations of the above Board and (b) that diplomates in Commerce having practical training as auditors and holding temporary certificates under Section 144 (2) of the Indian Companies' Act who are only very few may be exempted from attending the examinations mentioned in Article 6 of the Regulations of the above Board and be awarded 'Diplomas in Accountancy'. The second request is not very clear, but apparently what is intended is that Diplomates in Commerce who are holders of temporary certificates under Section 144 (2) of the Indian Companies' Act 1913, should be eligible for the Diploma in Accountancy without either passing any further examination or undergoing any apprenticeship.

(ii) The regulations referred to above appear on pages 3 and 4 of G.O. No. 1131, Home (Education), dated 27th October 1916. They overlap and are somewhat involved.

(iii) Some of the local diplomates formerly held temporary auditors' certificates which seem to have lapsed for want of renewal and some still hold temporary certificates. The general educational qualifications of most of them fall short of those laid down in Article 12 of the above Regulations and the result is that --

(a) diplomates who never held auditor's certificate or whose certificates have lapsed are debarred from appearing for the examination for the Bombay Diploma in Accountancy, and

(b) diplomates who are holders of auditor's certificate have to pass the diploma examination of the Board.

(iv) The diplomates from whom these memorials emanate may be classified as

- (a) present holders of auditor's certificate
- (b) ex-holders of temporary certificates which have lapsed and

15 12
(c) those who have not held an auditor's certificate at any time.

(A) As regards class (a) there is no difficulty since they are eligible for admission to the examination for the Diploma in Accountancy (Article 6 of the Regulations) and since, on passing the examination they become eligible for the diploma in Accountancy without any further proof of practical training in accounts (Article 13 of the Regulations). Candidates from other provinces than Bombay are admitted to the examination of the Accountancy Diploma Board to be held in Bombay this year. (G.O. No. 153, Home (Education), dated 5th February 1919). These concessions go a long way and there does not seem to be any reason for recommending the exemption of any of this class from attendance at the examination. Many of them are of low general educational qualifications and their passing through the portal of this examination appears to be all the more necessary.

(B) As to class (b) renewals of certificates have been refused for various reasons. The main principle followed has been that it is desirable to create an independent profession consisting of men devoting all their time and attention to the work of auditing and that half timers who take up auditing in their spare time and are thus able to cut the fees for audit should be eliminated gradually. The most that can be done for this class is to treat each case on its merits, the Government deciding whether any, and if so what, concession should be granted. In no case should permission to appear for the examination extend beyond that of 1922.

(C) As regards class (c) the fact that they have obtained the local commercial diploma may be taken as equivalent to study for a period of two academical years at a recognized institute (Article 4) and they may irrespective of the qualifications prescribed by Article (4) be allowed to appear for the examination of the Accountancy Diploma Board.

16

Not having held at any time an Auditor's certificate under the Indian Companies' Act 1913, they cannot however be credited with a practical training in accounts or experience in auditing. They might be admitted to the examination and if they pass they should be subjected to the conditions of Article 12 (c) of the Regulations under which they will have to undergo a three years' course of practical training before they can be considered eligible for the diploma in Accountancy. This concession should as in the case of diplomates referred to in class (b) be extended only up to and inclusive of the year 1922.

2. I concur in the opinion expressed above by the Registrar of Joint Stock Companies who has consulted both the Principal of the Government Institute of Commerce, Madras, who agrees with him and the Headmaster of the School of Commerce, Calicut, who does not agree with him but whose opinion is generally favourable to the memorialists.

I have the honour to be,

S i r,

Your most obedient servant,

G. S. S.
for Director of Public Instruction.

M. S. S.
M. S. S.



17
G. No. 147
COMPANIES

To

His Excellency The Right Hon'ble

JOHN BARON PENTLAND OF LYTH, P.C., G.C.I.E.,

Governor-in-Council,

Fort St. George.

Through

THE REGISTRAR OF JOINT STOCK COMPANIES,

MADRAS.

The Humble Memorial of _____

G. Sambundaram Ayyar

Government Diplomat in Commerce, 26/5,

Retnakara Pandurath Rao,
Nanojiappa Street, Fort, Tanjore

Most Respectfully Sheweth,

That the memorialist is one of the few Government Diplomates in commerce who have been adversely affected by G. O. No. 813, Home (Education), dated the 6th June 1917, sanctioning the formation of a Government Institute of

621

Commerce in Madras with a view to the training of public accountants and auditors and the granting of Diplomas in Accountancy on the lines of the Accountancy Diploma Board of the Bombay Government and hence craves Your Excellency's kind and sympathetic consideration of the following grievances and prays for early orders and proper redress.

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4. Rights and duties of Liquidators, Trustees and Receivers.	4. Insolvency and Arbitration and the Indian Companies Act in respect of liquidators, trustees and receivers.	4. The Provincial and the Presidency Towns Insolvency Acts and the Indian Companies Act in respect of liquidators, trustees, and receivers and awards.
5. Joint Stock Company and Bankruptcy law and principles of the same.	5. The Indian Law relating to Joint Stock Companies, Life Insurance Companies, Provident Insurance Societies.	5. The Insolvency Law above referred to under this head and the Indian Companies Act and a special study of the law and accounts of life, provident, etc., insurance societies.
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8. General Commercial Knowledge.	8.	8. Commercial History of the World; Commercial Geography of the World with a detailed study in Trade Statistics; Banking, Currency and Economics.

[N. B.—All under the head of the Commercial Diploma of the Government Technical Examinations, Madras, can be verified by a perusal of the syllabuses of the Government Technical Examinations under Book-keeping (Advanced), Theory and Practice of Commerce (Advanced), Commercial Geography (Advanced), and Banking (Intermediate)].

70

5. The one defect in the case of some of the local diploma holders is they have not the requisite practical training. It is only just to exempt them from attending the final examinations of the Accountancy Diploma Board and award Diplomas in Accountancy when they have the necessary practical training as an apprentice under a Certified Auditor.

6. That the memorialist begs to state that Diplomas in Commerce are being given to those who have passed in 1 Book-keeping, Accountancy and Auditing (Advanced Grade), 2 Theory and Practice of Commerce and Commercial Law (Advanced Grade), 3 Commercial Geography and Commercial History of the World with a study in Trade Statistics (Advanced Grade), and 4 Banking and Currency and Economics (Intermediate Grade, being the highest Grade) and that all these highest grades of examinations are comprehensive and varied and sufficient to make the diplomate an expert accountant and auditor.

7. That the Memorialist believes that there will be only a few such diplomates in this Presidency and prays that they may be exempted from attending the classes of the Institute and from appearing for the examinations under the condition laid down in para 5.

8. That, in consideration of the above circumstances, the Memorialist most earnestly prays that Your Excellency may be graciously pleased to ameliorate the lot of the Diplomates in Commerce in this Presidency, the memorialist being one of them, and grant relief on the following lines:—

(i) that Diplomates in Commerce may be exempted from attending the classes and the examinations of the Accountancy Diploma Board, Bombay, and that they may be awarded 'Diplomas in Accountancy' when they show certificates of apprenticeship as shown in Article 12 of the Regulations of the above Board; and,

(ii) that Diplomates in Commerce, having practical training as auditors and holding temporary certificates under Section 144 (2) of the Indian Companies Act, who are only very few, may be exempted from attending the examinations mentioned in Article 6 of the Regulations of the above Board and be awarded 'Diplomas in Accountancy'.

Your Excellency's humble Memorialist prays finally that he may be benevolently forgiven the liberty which, through severe stress of circumstances, he has been forced to take in laying the above representations before Your Excellency-in-Council and he earnestly submits that for the justice and benevolence he seeks on his behalf he shall, as in duty bound, ever pray.

Sanjore,
Dated 24 Jan. 1919

G. Somabandaram
Memorialist

21
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Page No. 71.
15
SUPPLEMENTAL.

Para 8 of the printed Memorial: Kindly add the following:—

(iii) That, if, for the purpose of awarding Diplomas in Accountancy, Diplomates in Commerce could not be exempted from passing the final examination of the Accountancy Diploma Board, Bombay, as prayed for under sub-clause (i), they may be atleast exempted from attendance at a Recognised Institution as required by Regulation No. 4 of the Accountancy Diploma Board, Bombay, in as much as they possess almost an equal amount of knowledge as is possessed by the Diplomates in Accountancy; that the period of practical training in accounts as required by Regulation No. 13 of the Accountancy Diploma Board, Bombay, may be fixed at three years in the case of Diplomates in Commerce also; and that Diplomates in Commerce may be declared eligible to appear for the Accountancy Diploma Examination, atleast for three years from the year of holding the said examination at the Madras centre without being required to produce a certificate of attendance at a Recognised Institution.

(iv) (a) That past holders (whether Diplomates in Commerce or not) of Temporary Auditor's Certificates granted by the Government under section 144 (2) of the Indian Companies Act, 1913, whose Auditor's certificates have not been cancelled but have only been lapsed for want of renewal --there are no less than twenty five persons of this description,--may be accorded the same privileges as have been granted to the present holders of Auditor's certificates under Regulation Nos. 6 and 13 of the Accountancy Diploma Board, Bombay, viz., exemption from attendance at a Recognised Institution and exemption

from further proof of practical training in accounts other than that of the Auditor's Certificate granted by Government;

or

(b) in the alternative, such lapsed certificates may be atleast renewed for a reasonable period of not less than three years from the year of holding the said Accountancy - Diploma Examination at the Madras centre, so as to enable - the holders thereof to appear for the Accountancy Diploma - Examination, the reason being that the majority of the present holders of Auditor's Certificates are in no way better qualified than the past holders of Auditor's Certificates - either as regards general educational qualifications or with regard to special qualifications indispensable to auditors such as the Diploma in Commerce and since, in justice and - fairness, the very first doors of entrance to higher qualifications should not be ^{closed} ~~denied~~ to such innocent and equally qualified persons.

(v) That holders of Auditor's certificates granted by the Government under the Indian Companies Act, 1913, - whether valid at the time of application for admission to the Accountancy Diploma Examination or not, may be considered eligible for admission to the Accountancy Diploma Examination as and when held at the Madras centre and may, as soon as they pass the Accountancy Diploma Examination, be awarded Diplomas in Accountancy.

(vi) That the Government of India and the Accountancy Diploma Board may be addressed by the Government to make - suitable provisions in the Regulations for the award of the Diploma in Accountancy so as to include in them sub-clauses 3, 4, and 5 above, before the Government of India finally - approve of and sanction the present draft regulations.

Tanjore, 24--1--1919.

G. Somasundaram
24.1.19.
Memorialist.



Page No. 17

G. No. 1402

COMPANIES

To

His Excellency The Right Hon'ble

JOHN BARON PENTLAND OF LYTH, P.C., G.C.I.E.,

Governor-in-Council,

Fort St. George,

Through

THE REGISTRAR OF JOINT STOCK COMPANIES,

MADRAS.

The Humble Memorial of Mr.

A. R. Seshiah

Government Diplomat in Commerce

Bolton Press, Trichinopoly.

Most Respectfully Sheweth,

That the memorialist is one of the few Government Diplomates in commerce who have been adversely affected by G. O. No. 813, Home (Education), dated the 6th June 1917, sanctioning the formation of a Government Institute of

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Dated 21.11.1918

Victoria Press Madura.—18.

Memorialist



To

His Excellency The Right Hon'ble

JOHN BARON PENTLAND OF LYTH, P.C., G.C.I.E.,

Governor-in-Council,

Fort St. George,

Through

THE REGISTRAR OF JOINT STOCK COMPANIES,

MADRAS.

The Humble Memorial of *H. A. Sankaranarayanan*
of *Madura*

Government Diplomate in Commerce

Certified public accountant & auditor

Most Respectfully Sheweth,

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K. A. Lankarayer

Dated 24-11-1918.

Memorialist

Victoria Press Madras.—18.



21

G. No. 1420
COMPANIES

To

His Excellency The Right Hon'ble

JOHN BARON PENTLAND OF LYTH, P.C., G.C.I.E.,

Governor-in-Council,

Fort St. George.

Through

THE REGISTRAR OF JOINT STOCK COMPANIES,

MADRAS.

The Humble Memorial of B. R.

Subrahmanya Iyer.

Government Diplomat in Commerce

South Arani Moham Street, Ganapathy Agraharam, Madras

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[N. B.—All under the head of the Commercial Diploma of the Government Technical Examinations, Madras, can be verified by a perusal of the syllabuses of the Government Technical Examinations under Book-keeping (Advanced), Theory and Practice of Commerce (Advanced), Commercial Geography (Advanced), and Banking (Intermediate)].

34

5. The one defect in the case of some of the local diploma holders is they have not the requisite practical training. It is only just to exempt them from attending the final examinations of the Accountancy Diploma Board and award Diplomas in Accountancy when they have the necessary practical training as an apprentice under a Certified Auditor.

6. That the memorialist begs to state that Diplomas in Commerce are being given to those who have passed in 1 Book-keeping, Accountancy and Auditing (Advanced Grade), 2 Theory and Practice of Commerce and Commercial Law (Advanced Grade), 3 Commercial Geography and Commercial History of the World with a study in Trade Statistics (Advanced Grade), and 4 Banking and Currency and Economics (Intermediate Grade, being the highest Grade) and that all these highest grades of examinations are comprehensive and varied and sufficient to make the diplomate an expert accountant and auditor.

7. That the Memorialist believes that there will be only a few such diplomates in this Presidency and prays that they may be exempted from attending the classes of the Institute and from appearing for the examinations under the condition laid down in para 5.

8. That, in consideration of the above circumstances, the Memorialist most earnestly prays that Your Excellency may be graciously pleased to ameliorate the lot of the Diplomates in Commerce in this Presidency, the memorialist being one of them, and grant relief on the following lines:—

(i) that Diplomates in Commerce may be exempted from attending the classes and the examinations of the Accountancy Diploma Board, Bombay, and that they may be awarded 'Diplomas in Accountancy' when they show certificates of apprenticeship as shown in Article 12 of the Regulations of the above Board; and,

(ii) that Diplomates in Commerce, having practical training as auditors and holding temporary certificates under Section 144 (2) of the Indian Companies Act, who are only very few, may be exempted from attending the examinations mentioned in Article 6 of the Regulations of the above Board and be awarded 'Diplomas in Accountancy'.

Your Excellency's humble Memorialist prays finally that he may be benevolently forgiven the liberty which, through severe stress of circumstances, he has been forced to take in laying the above representations before Your Excellency-in-Council and he earnestly submits that for the justice and benevolence he seeks on his behalf he shall, as in duty bound, ever pray.

Dated 23rd November 1918.

B. R. Subrahmanyam,
Memorialist.



EST Y
To



23

No. 879 Est Coy
1918

C. No. 11641

COMPANIES

His Excellency The Right Hon'ble

JOHN BARON PENTLAND OF LYTH, P.C., G.C.I.E.,

Governor-in-Council,

Fort St. George.

Through

THE REGISTRAR OF JOINT STOCK COMPANIES,

MADRAS.

*The Registrar of Assurance,
Madura*

The Humble Memorial of *V. R.
Subrahmanyam*

Government Diplomate in Commerce, *Chen*

Registrar's Office Madras

Most Respectfully Sheweth,

That the memorialist is one of the few Government Diplomates in commerce who have been adversely affected by G. O. No. 813, Home (Education), dated the 6th June 1917, sanctioning the formation of a Government Institute of

Commerce in Madras with a view to the training of public accountants and auditors and the granting of Diplomas in Accountancy on the lines of the Accountancy Diploma Board of the Bombay Government and hence craves Your Excellency's kind and sympathetic consideration of the following grievances and prays for early orders and proper redress.

2. Although Government are conducting examinations in commercial subjects and granting commercial diplomas, the amount of physical and mental labour and financial strain involved in connection therewith does not appear to have been adequately recognised.

3. The Government having since felt the necessity of training duly qualified auditors and accountants and promulgated the Government Order referred to in para 1, the recognition of the Diplomas in Accountancy granted by the Accountancy Diploma Board, Bombay, brushing aside the claims of those who were already granted Diplomas in Commerce by the Government of Madras, is a great and unjust hardship to the Memorialist who prays for redress at the hands of Your Excellency.

4. A perusal of the comparative statement of the courses of study, hereunder given, as adopted by the different examining bodies, viz., the Accountancy Diploma Board, Bombay, the Government Technical Examinations, Madras, the Institute of Chartered Accountants, London, and the Society of Incorporated Accountants and Auditors, London, will show that the standard of study that was adopted in this Presidency was not inferior to that adopted by the other examining bodies. Reference was made to the above to some extent by the Registrar of Joint Stock Companies in para 5 of his note on the draft scheme, dated 1-4-1916, published in page 112, part (2) of the Fort St. George Gazette dated 26-8-18. Under these circumstances, it is a matter for regret that the local commercial diploma has not been recognised by the Government as equal to the final examinations of the Accountancy Diploma Board, Bombay, and holders of such diplomas were not even exempted from attending the classes of the Institute and appearing for the examinations, though recommended by the Registrar of Joint Stock Companies in para 10 of his note on the draft scheme above referred to and though auditors holding temporary certificates are exempted from attending the classes and from practical training, but asked to appear for the final examinations. It is a sad misfortune of the Memorialist that the case of the local Diplomates in Commerce was left out of consideration.

A COMPARATIVE STATEMENT SHOWING THE SYLLABUSES OF THE DIFFERENT EXAMINATIONS.

Society of Incorporated Accountants and Auditors, London, and the Society of Chartered Accountants, London.	Accountancy Diploma Board, Bombay.	The Commercial Diploma of the Government Technical Examinations, Madras.
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2. Partnership and executorship accounts and the law relating to partners & executors.	2. Accounts included in item 1 supra under this head and the Indian Law of Contracts.	2. Accounts included in item 1 supra under this head; the law relating to the relation of banker and customer, Joint Account, trust and partnership accounts, and the Indian Law of Contracts with reference to sale of goods, agency and partnership.
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5. Joint Stock Company and Bankruptcy law and principles of the same.	5. The Indian Law relating to Joint Stock Companies, Life Insurance Companies, Provident Insurance Societies.	5. The Insolvency Law above referred to under this head and the Indian Companies Act and a special study of the law and accounts of life, provident, etc., insurance societies.
6. Mercantile law inclusive of bills of lading, charter parties, marine insurance, sea customs, cheques, bills and promissory notes, etc.	6. The above acts and Indian Law relating to negotiable instruments, charter parties, bills of lading, fire & marine insurance, and main provisions of stamp & limitation acts.	6. The Law relating to bills of lading, charter parties, marine insurance, sea customs, Indian companies, negotiable instruments, relation of banker and customer and the different acts shown above under this head with limitation coinage & paper currency acts, etc.
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Your Excellency's humble Memorialist prays finally that he may be benevolently forgiven the liberty which, through severe stress of circumstances, he has been forced to take in laying the above representations before Your Excellency-in-Council and he earnestly submits that for the justice and benevolence he seeks on his behalf he shall, as in duty bound, ever pray.

Memorialist

Victoria Press Madras.—18.

DISPATCHED

28 NOV 1918

OFFICE OF THE REGISTRAR OF
JOINT STOCK COMPANIES
MADRAS

JAN 1919

Government of Madras
Home (Education) Department.

Page 3. 48

Memorial from M.R. Hy. I.R. Lakshmana Rama Ayyar, dated 18th December 1918, praying that the Government Diplomates in Commerce in the Madras Presidency may be exempted from attending the classes and examinations of the Accountancy Diploma Board, Bombay.

Memorial from -do-

dated 31st December 1918.

Endorsement No. 2674 B/18-1, dated the 8th January 1919

Referred to the Director of Public Instruction
in consultation with the Registrar of Joint Stock
Companies.

(By Order)

Ramanujapuram
Registrar

To the Director of Public Instruction
Copy to the Registrar of Joint Stock Companies.

No. 879-Est (p) Dated 2/11/1918

1918

Submitted

Regd.

DISPATCHED

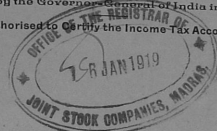
28 NOV 1918

M. N. SINGH, D.C., F.B.T.,
ACCOUNTANT & AUDITOR
OF MORE THAN 11 YEARS' STANDING.

GOVT. DIPLOMATE-IN-COMMERCE,
CERTIFICATED COMMERCIAL INSTRUCTOR,
HOLDER OF GOVT. & GRANT SCHOLARSHIPS,
PRINCIPAL "SINGH'S INSTITUTE OF COMMERCE",
Fellow of the Assoc. of Book-keeping Teachers, (London).

QUALIFIED AUDITOR
Under Acts V of 1912 & VII of 1919,
passed by the Government of India in Council.

Authorised to certify the Income Tax Accounts.



Page No. 49 26

TELEGRAPHIC ADDRESS:
"EMENSINGH," MADRAS.

CODE—A. B. C., 5TH EDITION.

G. No. 103

COMPANIES

CHINTADRIPET,

MADRAS, S. C.

14th January 1919.

To,

The Registrar of Joint Stock Companies,

MADRAS.

Sir,

I beg to enclose herewith a copy of memorial addressed
to His Excellency and I request that you will kindly
forward the same at your early convenience.

I beg to remain,

Sir,

Your most obedient servant,

M. N. Singh



27 JAN 1917

41

To

His Excellency The Right Hon'ble

JOHN BARON PENTLAND OF LYTH, P.C., G.C.I.E.,

Governor-in-Council,

Fort St. George,

Through

THE REGISTRAR OF JOINT STOCK COMPANIES,

MADRAS.

24, Dalawa Chetty Street,

Calcutta, Madras.

The Humble Memorial of Mr.

Narayan Singh

Government Diplomat in Commerce and

Qualified Accountant & Auditor

Most Respectfully Sheweth,

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44

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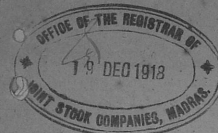
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Dated... 14th Jan 1919.

Memorialist

Victoria Press Madras.—18.



Page No. 32
C. No. 1526
COMPANIES

To

His Excellency The Right Hon'ble

JOHN BARON PENTLAND OF LYTH, P.C., G.C.I.E.,

Governor-in-Council,

Fort St. George,

Through

THE REGISTRAR OF JOINT STOCK COMPANIES,

MADRAS.

The Humble Memorial of M. R. V.,

P. R. Lakshmana Rama Iyer.

Government Diplomate in Commerce and

Gold Medallist, Qualified Accountant and Auditor, 107, Veeraraghava Mudali Street, Triplicane, Madras.

Most Respectfully Sheweth,

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Commerce in Madras with a view to the training of public accountants and auditors and the granting of Diplomas in Accountancy on the lines of the Accountancy Diploma Board of the Bombay Government and hence craves Your Excellency's kind and sympathetic consideration of the following grievances and prays for early orders and proper redress.

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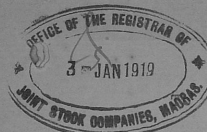
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Dated... 18th Dec 1918.

[Signature]
Memorialist

Victoria Press Madras.—18.



His Excellency The Right Hon'ble

JOHN BARON PENTLAND OF LYTH, P.C., C.C.I.E.,

Governor-in-Council,

Fort St. George.

Through

THE REGISTRAR OF JOINT STOCK COMPANIES,

M A D R A S.

The Humble Memorial of M.R.Ry.,

P.R. Lakshman Ram, Government Diplomate
in Commerce and Gold Medallist, -----

Qualified Accountant and Auditor, 107,
Veeraragava Mudali Street, Triplicane,
Madras.

Most Respectfully Showeth,

That, in continuation of his memorial dated ----
18th December 1918, the Memorialist humbly begs to submit
the following facts to be taken into consideration when ---
passing final orders:—

In the Government Notification No. 18 dated ----
25th January 1893 on Government Technical Examinations, it is
clearly stated that the institution of these examinations is
intended, among others, to create a body of Accountants, --
Auditors etc. This fact has been mentioned in the 2nd ----
sentence of para 7 of my letter to the Government of India
dated 19th August 1910 re--the amendment of the Audit Section
of the Indian Companies Act of 1882 (Vide Appendix A.). --
Finding that the holding of these examinations on commercial
subjects ~~alone~~ would be quite inadequate without an Insti-
tution to impart instructions on the right lines, the ----
Government School of Commerce was opened at Calicut early in

Institution to impart instructions on the right lines, the Government School of Commerce was opened at Calicut early in the year 1895. The syllabus, published in January 1893, of Advanced Book-keeping contains, among others, the following:

The examination shall comprise--

- (1) A written examination.

Two papers of three hours' duration each,

- (2) An oral examination,

Chiefly on "designing and Auditing"

A few test questions on Auditing were and are being incorporated in the Theory paper on Advanced Book-keeping or Accountancy. Further, the oral examinations that ~~is~~ ----- existed till the year 1903 or 1904 for Advanced students of Accountancy and Commercial Law were chiefly intended to test their knowledge in those subjects and particularly on ----- "Designing and Auditing". (Vide the old syllabuses published in January 1893.)

The subjects for the "Diploma in Commerce" course are sufficiently comprehensive and varied to make one an -- efficient Auditor as will be seen from the comparative statements given in page 3 of my letter dated 18th December 1918 and in page 3 of Appendix A. But the only drawback in the present "Diploma in Commerce" course is the absence of a --- separate paper on "Auditing". This defect can now be ---- removed by including, in the syllabus for Advanced Book-keeping and Accountancy, a separate paper on "Auditing".

In his book entitled "The First Decade in Commercial Education in the Presidency of Madras" Part I page vi, Mr. K. Subramania Ayyar, now the Secretary of the Accountancy Diploma Board, Bombay, expresses the following opinion about the "Diploma in Commerce" of the Madras Government:-

"The Diploma in Commerce is granted to such as ---- pass the Advanced Examinations in Book-keeping, Commercial

57
Page No. 28 33
Commercial Correspondence and Commercial Geography and the
Intermediate Examination in Banking. A Group certificate
etc., * * * * *

"Thus though we, in Madras, have no University of Commerce
as advocated by Mr. Howard Vincent, M.P., in 1887, and no
degree known as the Doctor of Commerce, advocated by the
Journal of ^{the} London Chamber of Commerce in 1887, we have now
examinations of a sufficiently high standard qualifying for
a Diploma in Commerce."

Therefore, that, in consideration of the above clear
facts, the Memorialist most earnestly prays that your -----
Excellency may be graciously pleased to grant relief to the
existing "Diplomates in Commerce" of the Local Government--who
after all, are only a few,--on the lines prayed for in ----
para 8 of his memorial dated 18th December 1918. For which
act of justice and benevolence, the Memorialist shall, as
in duty bound, ever pray,

The Cauvery Rice Mills,
(Camp) Mysore,
31st December 1918.

S. B. Srinivasan
Memorialist.

FROM

P. R. Lakshman Ram Avl.,

Government Diplomate in Commerce and Gold Medallist,

Public Accountant and Auditor, Triplicane,

MADRAS.

TO

The Secretary to the Government of India,

Legislative Department, CALCUTTA.

SIR,

In the matter of the amending the Indian Companies' Act on the lines of the English Companies' (Consolidation) Act of 1908 that is now in contemplation of the Government, I beg to respectfully submit my humble views as regards the *audit* section, i. e., Section 74 of the Indian Companies' Act for your favourable consideration.

1. The modern tendency of the public of this country is to form Companies under Limited Liability system. The promoter, who invariably becomes the Secretary, generally forms the first Directorate with his own men, and then persuades the share-holders to re-elect almost all of them in succeeding years. The average shareholder cannot be expected to know how things can be withheld from publication, how defalcations can be made even without the knowledge of the Directors, and how it would be easy for the Secretary and other Officers to go against the Articles of Association, to work the Company to their exclusive benefit, showing outwardly that it works at a large profit and yet remain undetected with the Directors on their side.

2. Naturally, the Secretary and even the Directors are always in favour of appointing their own men as Auditors—whether literate or illiterate—merely to sign the Balance-sheet and Profit and Loss accounts prepared by them without any scrutiny whatsoever, in order simply to meet the technical and formal requirements of the Indian Companies' Act. For instance, in a Company where the question of electing an Auditor came for disposal, the Directors, who always form the majority of a quorum for a general meeting, said that if a qualified man is appointed he would not sign the Balance-sheet as placed by them before him without making a fair report to the shareholders after careful scrutiny, a contingency which they wanted to avoid, as it will expose their shortcomings; hence, they were in favour of appointing—not electing—their own man, who was illiterate and did not know even the A. B. C. of accounts, as Auditor, in spite of applications from qualified men. Such instances are too many to be mentioned. Generally, the unqualified Auditor simply signs the Balance-sheet as placed before him without making a report and pockets his fees.

3. The object of the Legislature in electing the Auditor in General Meeting by the General Body of shareholders is to make the Auditor scrutinize the accounts of the concern as their representative, to report them on the proper discharge of the duties legitimately expected from the Directors and the Secretary and generally to see that the interests of the shareholders are not prejudiced by the Directors and other officers being bent on swelling their own pockets. This noble object is not fully carried out, since the wording of the Act does not make it clear

as to who should be an Auditor. It simply says :—" And once at least in every year the accounts of the Company shall be examined, and correctness of the last Balance-sheet and its conformity with the Law ascertained and certified by one or more auditor or auditors." With this wording the ingenious Directors of the concern tie the hands of the unqualified Auditor by falsely interpreting the section to mean that the Auditor is simply to see the arithmetical accuracy of the accounts placed before him. Such an Auditor will naturally abide by the dictates of the Directorate. Hence the Law requires clearness in this direction.

4. Farther, the general public, i. e., the shareholders are made to understand by these Company-promoters and are under the false impression that because the Company is registered and periodical statements are submitted to the Registrar of Joint Stock Companies every now and then, their interests are not jeopardised, but always safe and sound under the kind care of the Government authorities. With this idea dominating in their mind, they pass the Balance-sheet even though there is no report by the Auditor. This idea is merely illusory, and to eradicate such a view from the public mind is not possible, neither is it possible to have Departmental Audit by Government Agency.

5. In view of the benign British Government's desire to protect and safe-guard the interests of its innocent subjects, in view of the increased growth of ephemeral companies with the sole object of swindling the public, in view of the fact that the State has some responsibility in this matter from the wider aspect of the protection of the community, in view of the very low degree of special or even general education which the average company auditor now possesses, in view of making the Accountancy profession as dignified as other professions and in view to promote a fair progress all round, I respectfully beg to suggest that in the audit clause of Section 74 the word " Qualified " may be inserted before " Auditor," together with such other formalities to be observed by such auditor in scrutinizing the accounts as the shareholders' representative, as the Government may deem fit.

6. Now, the question may naturally arise as to how to draw a line between " Qualified " and " Unqualified " Auditors. I think the Provincial Governments may be allowed to decide the question where there exists examinations for the qualification of an Auditor, and such examinations are under the control of the Government or the Head of the Educational Department. For instance, in Madras we have the " Diploma in Commerce " of the Madras Government Technical examinations. This Diploma includes :—

I. Advanced Book-keeping including Auditing.

II. Advanced Theory and Practice of Commerce which includes in its turn :—

- (a) Law relating to Bills, Cheques, Hundis, &c., i. e. Indian Negotiable Instruments Act, (b) The Indian Companies' Act, (c) The Indian Trusts Act, (d) The Indian Insolvency Acts and the Bankruptcy Law, (e) Law of Partnership, (f) The Indian Limitation Act, (g) The Indian Sea Customs Act, (h) The Indian Ports Act, (i) Law of Marine Insurance, (j) Law relating to Bills of Lading and Charter-Parties, (k) Law of Banker and Customer.

III. Banking and Political economy including the Indian Currency Act.

IV. Advanced Commercial Geography and Commercial History of the World.

These subjects are sufficiently comprehensive and varied to constitute an expert Accountant and Auditor and favourably compare with the examination of the Institute of Chartered Accountants and of the Incorporated Society of Accountants and Auditors of London, the two recognised public Accountancy Bodies in the United Kingdom, as shown here :—

Examinations.	Examination Hours.		
	London.	Madras.	
	C.A.	S.A.A.	D.C.
Advanced Book-keeping including Auditing.	8	6	6
Commercial Law &c.	6	11	9
Banking proper and Com. Geography and History of the World	0	0	9
	14	17	24

7. The Government of Madras may decide, for the matter of this section, that all Diplomates in Commerce of the Madras Government above the age of 23 with two years' apprenticeship under a practising Accountant or in the Government School of Commerce, Calicut, at the first instance, are " Qualified Auditors." The Government of Madras, in its notification of Government Technical examinations, clearly say that the examinations are intended to produce Accountants, Auditors, &c. If the Government has any doubt about the sufficiency of the " Diploma in Commerce " as a pass-port for a " Qualified Auditor," the Government of Madras may be asked to refer to the Director of Public Instruction, Madras, and through him to the Headmaster of the Government School of Commerce, Calicut, who is an expert in Commercial subjects including Accountancy and Auditing, with long experience as a teacher and an Examiner. If necessary, any necessary revision may be made by Provincial Governments, in the syllabuses for Book-keeping and Accountancy that may be already held in the Province to meet the end in view.

8. So far as I am aware, in India, it is only in the Madras Presidency that the Government holds a series of examinations in Commercial subjects, which, in efficiency and standard, is equal to the test for Auditors held by the two well-known Societies in London, the Society of Accountants and Auditors and the Institute of Chartered Accountants, London. In some other Provinces, a beginning has been made already in this direction, and it has only to be developed to adapt the end in view ; similar Government examinations may be instituted by all the other Provincial Governments on the lines of the examinations for Legal Practitioners, &c. The proper conduct of practising " Qualified Accountants and Auditors " may be vouchsafed, if need be, by an act just as the Legal Practitioners' Act. The above proposal may look somewhat abstruse at the outset, but will gain ground as years roll on if a move is made.

9. Now the question may be asked how to meet the demand for such qualified men all of a sudden, for which I beg to suggest that Government may follow a procedure similar to that adopted in the matter of replacing the lay-practitioners in the Law-Courts by qualified men in due course.

10. In the Interpretation clause of the Indian Companies' Act which is now under consideration, the words " Qualified Auditors " may be defined to mean " persons who have taken Diplomas in Commerce or such other equivalent degrees as may be instituted by Local Governments, and the Members of the Institute of Chartered Accountants and the Society of Accountants and Auditors, London, who actually carry on business as " Qualified Auditors," with a Sanad from the Local Government on payment of a fee."

11. In conclusion, I beg to respectfully submit :—

- i. That no members of the ephemeral Societies of Accountants existing in India or even in the United Kingdom, save the Institute of Chartered Accountants and the Society of Accountants and Auditors of London, should be recognised as " Qualified Auditors."

- 4 -
- ii. That no Body of persons in India should be allowed to confer degrees on anyone as passport for audit-practice, just as latter-day societies which have grown in the west as mushrooms with branches in India, and which are worked only on commercial lines to make profit out of them, or that certificates granted by such bodies will not be recognised for the purpose, so long as there are local examinations to test the efficiency of a "Qualified Auditor," conducted by Government or a Board appointed by the responsible head of the Education Department.
 - iii. That a Register may be maintained by Local Governments of all practising "Qualified Auditors."
 - iv. That I am in favour of giving *primary* importance to Local examinations conducted under Government supervision and control just as in Madras which will suit all local conditions and requirements in preference to examinations of the two outside recognised bodies of Accountants, Chartered and Incorporated, of London, which latter are adapted to the conditions of the United Kingdom.
 - v. That in the Audit section of the Indian Companies' Act, Section 74, the word "Qualified" before "Auditor" may be inserted with all other additions as suggested in para 5 *supra*.
 - vi. And that the interpretation clause may also be amended as suggested in para 10 *supra*.

MADRAS,
19th August 1910. }

I beg to remain,

Sir,

Your most obedient servant,

P. R. LAKSHMAN RAM.

II.

SIR,

In continuation of my letter of the 19th August 1910, *re* the proposed amendment of the Indian Companies' Act of 1882, I beg to respectfully bring to your kind consideration the following definition of a "Practising Qualified Auditor" for the purpose of the said Act :—

A Practising Qualified Auditor is a person skilled in the affairs of Commerce and Finance, and particularly in the accounts relating thereto, by a Qualifying Government Examination, who, on obtaining a Sannad from Government, places his services at the disposal of the community for remuneration, but not entirely at the disposal of any one individual, Firm, or Corporation, and who maintains an Office or place at which his services may be engaged.

The above is a modified definition of the one that appeared in the "Accountant," London, that widespread and recognised weekly organ of Accountancy throughout the world, London, to suit the Indian conditions of the present day.

CAMP, TIRUPATI,
16th March 1911. }

I beg to remain,

Sir,

Your most obedient servant,

P. R. LAKSHMAN RAM.

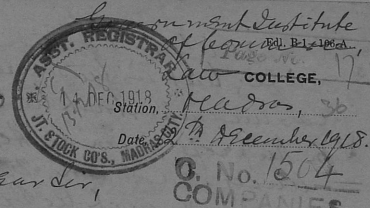
TEMPLE & CO., MADRAS.

(True copies)

P. R. Lakshman Ram

56-67 17-28
42

D.O.



Dear Sir,

your D.O. No. 1412-Comp.
dated 2nd instant. I was
thinking of addressing you
officially enclosing a copy
of the prospectus of the
Institute, when I am glad
to observe a reference
has been made to me on
the subject.

It is rather diffi-
cult to enter on the
dangerous ground of
comparison between
two different sets of
examinations yet to

dissimilar in their scope; but as the difference has an important bearing on the profession of Accountancy, a Considered opinion must be expressed and I venture to do so without any reservation.

The Syllabus presented for the local diploma examination in Commerce it must be admitted, looks very Ambitious as put on paper and may be said to cover a very wide range of subjects though some of them do not find any place in Accountancy examinations. It does not give any prominence

to purely Accountancy subjects and the study of Auditing forms but a mere Complement to the Book-keeping paper, and Auditing not forming a separate subject in itself.

The local Commerce diploma syllabus does not specialize a student in Accountancy and Auditing and the legal subjects relating to Accounts. A bare knowledge of the theory of Accounts and of the various Acts and laws cannot be considered

Enough to acquire that detailed study of the subject necessary for an Auditor.

From an Examination point of view, the knowledge of subjects expected of an examinee in the local diploma in Commerce is far too meagre and of a decidedly lower standard while the Bombay Diploma Examination on the other hand exacts a very searching and thorough knowledge of the subject and the tests both in

Legal and Accountancy papers are stiff and of a very high standard. The Bombay Board also insists on a course of apprenticeship for practical training over a period of three years under a practising accountant. This training many of the diploma holders are generally found wanting.

It may be further pointed out, apart from the point of examination and apprenticeship, that the Bombay Board have definitely

refused recognition to the Certificate holders of the Corporation of Accountants, Glasgow and the Central Association of Accountants, London, as the two bodies do not insist on any qualifying Entrance test of general Education as is presented by the Bombay Board. The same is unfortunately true so far as general Education Qualification is concerned in the case of most of the local diploma holders of Commerce.

It is of interest to note that the local examinations have been designed mainly to supply the needs of the mercantile Community and no deviation has yet been made either in the syllabus or the method of examination from the original ideas and as such the diploma holders are better fitted to fill the posts of book-keepers, assistants and clerks and are fairly equipped with the necessary rudiments of knowledge for such appointments.

Page No. 911 8
In Attaining the theoretical
they have neglected Consider-
-ably if not altogether
the practical study of
the Subject with the result
that the diploma holders
turn out in practice
very indifferent Account-
-ants, far less efficient
Auditors.

An Auditor is usually
called upon, in the per-
formance of his duties,
to weigh the merits of
Conflicting Arguments,
to grasp and marshal
facts and figures, to
investigate complicated
Affairs and above

Page No. 92 9
all to act factually in
any position that may
arise, this is not possible
unless he is thoroughly
equipped with his profes-
-sional knowledge.

The diploma holder in
Commerce can claim
to their knowledge only
on the chance events
brought to their notice
during the course of
their daily routine and
are not consequently
properly fitted to handle
the intricate problems
of modern Accountancy.

Lastly it should be
particularly noted

16
that a uniformity of
standard has to be main-
-tained in the profession,
and this has been
throughout the time
of the Bombay Account-
-ancy Board. Representa-
-tions were made from
several presidencies which
possessed diplomas
similar to the local
diplomas, but their
claim for exemption
has not yet been
admitted.

The temporary Certi-
-ficate holders now
claim the privilege as
a matter of right what
was merely allowed to

17
them as a matter of
sufferance. This should
in no way be conceded to.

To an Auditor who has
had sufficient practice,
it would not be difficult
to pass the Accountancy
Diploma Board's examina-
-tion with a short course
of study. In order to
emphasise the importance
of an examination test,
I might mention here that
the Society of Incorporated
Accountants and Auditors,
London, have refused
membership even to
Accountants long in
practice, without

56-67 17-28
42
Satisfying the Society's
Examination test.

The above will suffi-
ciently indicate the
grounds for not grant-
ing them exemption
from the Bombay Board's
Accountancy Examina-
-tion test.

Yours truly
M L Dandekar

Principal,
Govt. Institute of Commerce.

To

The Assistant to
the Registrar of
Joint Stock Companies,
Madr.



The Govt. School of Commerce,
Calicut, 19th December 1918.

C. No. 31

43

Dear Sir,

In reply to your D.O. No. 1412-1 Comp., dated the 2nd inst.,
I beg to state as follows:-

1. Subjects:-

The subjects prescribed for the Bombay Diploma Examinations are (1) Accountancy and Auditing and (2) Mercantile Law, whereas for the Madras Examinations, ~~the subjects are~~ ~~only the subjects~~ candidates have to learn Banking and Commercial Geography in addition to the above two subjects

2. Examination papers and their duration:-

For the Bombay Examination there are ~~three~~ ^{four} papers of ~~three~~ ^{three} hours each in each subject, whereas for the Madras Examination there are only two papers of ~~two~~ ^{three} hours each in Accountancy and Mercantile Law, and there are three papers of three hours each in Commercial Geography and a paper of three hours in Banking.

3. Syllabus:-

(a) Accountancy and Auditing:- The subject matter here is the same for two examinations.

(b) Mercantile Law:- The portions included under this subject for both examinations are similar with a few exceptions. The Sea Customs Act is prescribed for the Madras Examination, but it is not included in the Bombay Syllabus. The laws relating to Life Assurance Companies, Provident Insurance Societies, Arbitration, Fire Insurance and Stamps of the Bombay Examination are not found in the Madras Syllabus. But it may be pointed out that ~~as~~ the general principles and accounts of Life Assurance Companies, Provident Assurance Societies, and Fire Insurance are studied in connection with the ~~the~~ first subject i.e. Accountancy and Auditing and a more specialised study of their intricate problems may be left to the legal advisers of the mercantile firms. The

general

general principles about arbitration are included in the Companies Act and it does not require a special study by itself. The Stamp Act is a law which can be referred to by any one in case of necessity without much preparation. Moreover, this formed a subject of study in the Madras Examination, but, when the syllabuses were revised in 1905 it was omitted perhaps for the reason shown above, and if the syllabuses were to be revised in the near future for which there are many other reasons besides, these omissions may be rectified.

(c) Banking:- This is not a subject for the Bombay Examination. In this subject the Madras candidates have to learn (1) The Principles and Practice of Banking, (2) The relations between banks and their customers, (3) The metallic and paper currencies of England and India, and (4) The Principles of Political Economy with special reference to price and value of commodities and Foreign Trade.

(d) Commercial Geography:- This also does not find a place in the Bombay Examination. Here the candidates must acquire a knowledge of (1) The important commercial commodities and the circumstances affecting their production, distribution and exchange, (2) the chief characteristics, physical features, climate, material resources and density of population of the principal commercial countries of the world, their foreign trade routes, communication by land and water, aids and obstacles to commerce, (3) the great sea routes and ocean routes of the world and the comparative statistics, (4) the history of modern commerce commencing from the 18th century when the sea route to the East was discovered, and (5) map-drawing showing railways, trade routes, fields of production, markets and ports.

It can be seen, from the above, that the Madras Examination not only compares very favourably with the Bombay Examination, but in some respects is even harder as many of the Madras University Examinations, ^{when compared with other University Examinations} which fact has been borne testimony to by many eminent men and can even now be tested by a perusal of the question papers.

papers set for the various examinations. The Bombay Examination prescribes for non-graduates a study of two years at an institution recognised by the Accountancy Diploma Board and the pupils of such general educational qualification will also require a two years' study to get a Diploma certificate in Madras, nay, sometimes more than two years if they have no special aptitude for drawing. To pass the Bombay examination a candidate must satisfy that he possesses an adequate knowledge of the subjects ^{and} in the Madras Examinations the minimum for passes in the various examinations is 45%. While it must be admitted that inasmuch as there are three papers in each of the first two subjects there is better scope for a more detailed study of them in the Bombay Examination that it cannot be forgotten that the Madras Examination is more comprehensive and useful for an all-round auditor who must know the various departments of commerce, dealing in the numerous products of the world which he will be unable to do without a study of Commercial Geography.

In these circumstances, I am of opinion that a local Diplomat in Commerce has good grounds for seeking exemption from appearing for the Bombay Examination preparatory to his being awarded the Accountancy Diploma.

Yours truly,

L. I. Anantanayana

Headmaster.

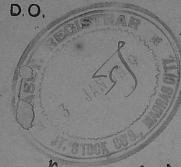
M. R. Ry. T. B. Setu Rao Ayl.,

Asst. to the Regr. of Joint Stock Cos.,

Madras.

NOTES.

D.O.



Name of Institution, The First School of

Station, Commerce,

Date, 21 Dec 1914.

G. No. 32
COMPANIES 46

Dear Sir,

I think a mistake has been made in my letter re Madras Diplomats in Commerce in the sub para 2 (Examination Question papers & their duration.)

Please read three instead of two in the third line before hours. (vide Syllabus on the subject.)

The Madras Examinations consist of two papers of three hours each in both the subjects (Bookkeeping & Theory & Practice of Commerce).

NOTES.

1875 70/
Regretting the error,

Yours sincerely,

L. T. Anthonappa Seth
Headmaster

supp

F. B. Seth Nas, ad,
Madras.

Home (Gen)

- H 1-4 of L. 2674 B/18. Memorial from M.R. P.R.
 Manu Rama Ayyar d. 18. 12. 18.
 H 5-7 of L. 36 B/18 - Memorial from M.R. P.R.
 Manu Rama Ayyar d. 31. 12. 18.
 P. 12 of [Genl. No. 2674 B/18-1] d. 8. 1. 19.
 L. 35 B - From the D.P.I. R.O. No.
 d. 5. 4. 19.

Subject:— Grant of Diplomas
 Accountancy to local
 Diplomates in Commerce
 without requiring them
 attend the Diploma ex-
 amination of the Accountancy
 Board, Bombay.

- The requests contained in
 P.R. Lakshmana Rama Ayyar's memorial
 H 1-7 of
 H 17-38 of
 + 41-55 of
 The memorials forwarded with the D.P.I.
 letter are:—

(1) That local Diplomates
 in Commerce may be exempted from attending
 the classes and examinations of the
 Accountancy Diploma Board.

para 8(c) of the
 memorial - P. 4 of

p. 4 of Geo. No
1131 (Est) (Z)
27.10.16

par 8 (ii) of the
Memorial p. 4 of

cf. Article 4 of
the Regs of the
Accountancy Diploma
Board, p. 3-4
of Geo. No 1131 (Est)
27.10.16

(Z) A
para 1 (C) of the
D.T. ICS Regs p. 15-16 of
p. 3 ibid

the consequence of
certificates being considered
entirely merits for any further
concession p. 4 ibid.

12 of the Regulations of the Accountancy
Diploma Board, Bombay and

(2) that Diplomates in Bombay
who have had practical training as auditors
and hold temporary certificates under
Sec. 144(2) of the Indian Companies Act
may be awarded diplomas in Accountancy
without being required to pass the exami-
nation for the Diploma in Accountancy held by
the Accountancy Diploma Board, Bombay.

2. As regards the first request
it may be observed that Diplomates who
have never held Auditors' certificates
or whose certificates have lapsed cannot
appear for the Accountancy Diploma ex-
amination. The Registrar of Joint
Stock Companies recommends that
Diplomates of this class may be allowed
to appear for the diploma examination, even
though they may not satisfy the require-
ments of Article 4 of the Regulations of the
Accountancy Diploma Board, Bombay
but that they must undergo the
practical training prescribed in
(for three years)

Art. 12 (C) of the Regulations
to remain in force only up to the year 1922 (inclusive)
is not therefore in favour of exempting
Diplomates from attending to
This can

p. 3 of Geo. No.

1131 (251) (7)
27.10.16

p. 4 ibid

(7)

para 1 (A) of
the D.P.I's letter
p. 15 of

regards the second request, attention is invited to Article 6 of the Regulations of the Accountancy Diploma Board, from which it will be observed that present holders of auditors' certificates are eligible to appear for the Diploma examination though they may not satisfy the conditions laid down in Art. 4 of the Regs. Under Art. 13 of the Regulations they became entitled to diplomas in Accounts by passing the diploma examination, without undergoing any practical training in accounts. Candidates from ~~these~~ provinces other than Bombay are also allowed to appear for the Diploma examination of the Accountancy Diploma Board, Bombay to be held in ^(April) - Geo. No. 153 (251) & 5.2.19^{as subsequent amendment} by the Registrar of Joint Stock Companies considers that the above concessions are sufficient and that as many of the Diplomates of this class are of low educational qualifications there are not sufficient reasons for exempting them from attending the diploma examination.

The D

para 1 (B) of
the D.P.I's letter
p. 15 of

Certificates which have lapsed should be dealt with individually on their merits and that in no case should permission to appear for the examination be extended beyond the year 1922.

para 2 of the
D.P.I's letter
p. 16 of

A The D.P.I and the Principal, Institute of Commerce agree with the Registrar of Joint Stock Companies. If the Registrar's suggestion at A' on p. 2 supra is approved, ~~the~~ the Regulations of the Accountancy Diploma Board, Bombay will have to be suitably altered. What the memorialists want however is not permission to attend the Diploma examination but exemption from attending it. It does not therefore seem desirable to address the Bombay Board with a view to getting the ^{Regulations} alterations of the Diploma Board altered.

pp 3-4 of Geo.

No 1131 (2nd) (1) 7
27.10.16

para 8 (i) of
the memorial p. 4

4. The file may be sent w/o to govt. for remarks.

11.4.19

11.4.19

Obviously, the standard of examination under the Accountancy Diploma Board is higher than that obtaining in the ~~Board~~ ^{for} foot. Technical examinations etc.

some addition

the Registrar of Joint Stock Companies that the
Diplomates in Commerce should appear for the
examination, though they may be exempted from
class attendance. The proposal to restrict this
concession to 1919 may also be accepted.
The Accountancy Diploma Board may, if
we accept the D.P.D.'s recommendation, have
to be addressed.

A
20.4.19
S.

Classifying as done by the D.P.D. as
(a), (b) & (c) Subpara IV pp 14-15 c.f.
We are now concerned only with the
Diplomates in Commerce; i.e. people
who have passed some sort of technical
examinations.

2. As regards (a), attendance in classes is
exempted: practical training is excused;
they have to pass a certain examination.

This cannot be dispensed with, 1° because
the examination is one held by an independent
body, 2° the Diplomates are generally of
low educational qualifications, 3° where
we are trying to build up a competent
profession, we should not initiate the
entrants by lowering qualification.

3. As regards (b)

K Subramanian

Sections 4 & 6 of the
Regulations of 1913 of 1914.

1131-2 Ed. 11

21.10.16

all holders of a temporary certificate on a certain date will be held eligible for taking the examination even though they may not possess current certificates on the date of examination. If this rule comes into force, this class will merge in (a) above; if not, the class will be exactly like (c) below.

4. As regards (c), there is really not a single ground to exempt the men who have passed in the Madras Technical examination from undergoing the All India examination.

The D. I. recommends that one who has so passed should be excused two years course in the academical classes.

I do not agree. Such attendance is ^{under regulation 4} ~~primarily~~ meant for improving general qualifications. Exemption from attendance is given ^{even partially only} only to persons who have undergone the Intermediate Arts course. Many of these Diplomates have not undergone this course.

Moreover naturally there is more importance in attending at a recognised institute than merely passing book examinations by private coaching.

I am for requiring the members in

(C) at p. 15, c. 4

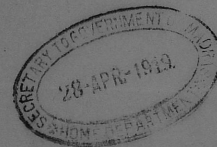
P. 3 of G.O. 1131-2-16

(2) 27.10.16

Rule 5 - 1 of Madras

Regulation 4 of G.O.

(X) 813-2-16
16.6.17



HM

A draft order is submitted for

approval

$\frac{4}{30.4.19}$

$\frac{Ld.}{30.4.19}$

$\frac{R}{21.5.19}$

$\frac{31.5.19}{53}$

Respecting the memorials of MRRy P R Lakshmana
Ayya and others praying that local Biplanates in
service may be awarded diplomas in Accountancy without
incurring the expense of the classes and exams of the
IN G.O. No. 813 (Genl), dated 16-6-1913.

ALSO:-

C. No. 2674B From ^{Mumial}~~the~~ MRR, P.R. Lakshmana, No. _____, dated 18-12-1918.
30 B/19. " " Rama Ayyar " " 31-12-8
f. " Endt. No. 2674B-18-1 " " 8-1-1919.

B-16cf 735 R/19, the D-P-I Loc No 288 " 5-4-1919.

ORDER

Mis

The Camp are unable to comply with the requests of the memorialists.

$$\begin{array}{r} 2 \\ \hline 30419 \\ \hline \end{array}$$

$$\begin{array}{r} 2 \\ \hline 30419 \\ \hline \end{array}$$

Te

The Memorialists

Copy to me D-P-I
" " " Reps. of Joint Stock
Companies

Receivable deposit
N 85.29

Given for copying

copied

examined

signed

191

MAIN G.O. No.
191

DATED

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT

LETTER OF GOVERNMENT

STATEMENT WITH DITTO.

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