

The 'Quantum Theory' Episode of 1954 Helped Establish the Democratic Manner in which the Profession is Regulated

A decision taken way back in 1954 on the 'Quantum Theory' issue had developed into an explosive situation, and threatened to disrupt the rapport between the Council and the membership at large. This issue arose out of the suggestion made by the Council that the allotment of trainees should not be on the basis of the number of years a member had put in public practice, but on the basis of information furnished by a member to the Council regarding the extent of his professional practice. This 'Quantum Theory' approach caused a lot of resentment and the Council was left with no choice but to bow to the general opinion of the membership.

The matter was discussed by the Council at its 13th meeting, held in May 1954, as a recommendation emanating from the Examination Committee relating to a member in practice at Poona who was actively engaged for three days a week in delivering lectures at two colleges in Bombay. In the first, his hours of work were from 11 am to 5 pm, and in the other he was handling morning and evening classes. He had made an application for permission for being appointed as a part-time professor in a Poona College for the period he was in Poona. On these facts, the Examination Committee decided that his main occupation was not the practice of the profession of accountancy and in such cases the Committee wanted the power to call for the details of the member's practice.

The Council resolved that the recommendation of the Examination Committee specified that a minimum quantum of work be prescribed as guidance to members for taking articled clerks, and that the concerned members be required

to furnish a declaration to the Council that they possessed such minimum quantum of work at the time of execution of articles, be agreed to in principle.

The Council discussed the matter again at its 14th meeting held in September 1954. Ultimately, the Council resolved that the recommendation of the Examination and Executive Committees be published in The Chartered Accountant journal. Comments received from members were considered by the Council at its 15th meeting in March 1955. The President reported that out of 495 members who expressed their views, 467 were against the proposal and 28 were for it. Regional Councils did not accept the views of the Council.

After discussions, the Council ultimately passed a resolution to drop the prescription of a minimum quantum of work as guidance for members taking and training articled clerks. The passing of this resolution clearly brought out the independent character of the profession, and the supremacy of the will of general membership in the administration of matters relating to the profession.

In the context of the revised decision, it is interesting to recall the discussion at the time the decision was taken at an earlier stage by the Council when every member had expressed his view in favour of the proposition. The conclusion of this episode further established the democratic manner in which the profession is regulated and reflected the supremacy of the free will of the members.

(Source: *History of the Accountancy Profession in India*)

— Volume I by GP Kapadia)