

No. 5-508/98 -Coop(C&M)-IV  
Directorate of Cooperation  
Himachal Pradesh

To

All the Assistant Registrar  
Cooperative Societies in Himachal Pradesh

Dated Shimla-9 the

31 July, 2012

Subject:- Regarding contribution towards provident fund of employees of PACS.

Memo,

The demands/representations were being made by the representatives of the PACS employee's Union since long to bring the provision of contribution to Provident Fund in tune with Employees Provident Fund and Misc. Provisions Act, 1952 by removing the ambiguity in establishing the provident fund by a PACS out of its annual net profits @ 10% as per existing provision of sub rule 15(1) and contribution required to be made by an employee @ 12% of (Basic Pay +DA) under existing provision of sub rule 15(3) of the Rule 15 of the Rules Relating to the terms of Employment and Working Conditions of the Employees of PACS.(2001). The Employees Provident Fund and Misc. Provisions Act, 1952 provide for equal proportion i.e. 12% of basic pay + DA to be contributed by an employee and employer towards provident fund under amended section 6 of the ibid Act. The said ambiguity in rule 15 of the Rules ibid is stated to be causing confusion and difficulties to PACS and its employees while calculating the contribution towards provident fund in terms of above referred rules.

The matter was re-examined in the light of representations, provisions of EPF Act, 1952 and H.P. Cooperative Societies Act and Rules made thereunder. It was observed that the existing sub rule 15(3) has to be made clear and amended accordingly to bring it in consonance with the Employees Provident Fund and Misc. Provisions Act, 1952 (amended from time to time). Therefore in order to remove the ambiguity/confusion and to bring the existing provision of sub rule 15(3) of the above referred rules in conformity with Employees Provident Fund and Misc. Provisions Act, 1952(amended from time to time), it is thought expedient and proper to amend and approve the rule 15 of the Rules Relating to the terms of Employment and Working Conditions of the Employees of PACS.(2001) as under:-

	Existing Provision	Amended Provision
Rule 15	<b>Provident Fund</b>	
(1)	Subject to the provision of any law for the time being in force on the subject, a society may establish provident fund for its employees and after there has been carried to the reserve and	Subject to the provision of any law for the time being in force on the subject, a society may establish a Provident Fund for its employees and after there has been carried to the Reserve Fund and Co-operative Education Fund and other funds, if any specified in the

	cooperative education fund and other funds, if any specified in the Bye Laws of the society, the <u>necessary proportion</u> of profits in any year may make such contribution not exceeding ten percent of the remaining net profits.	Bye Laws of the society, the <u>necessary proportion</u> of the profits in any year may make such contribution not exceeding ten percent of the remaining net profits.
(2)	Such provident fund shall not be used in the business of the society but shall be invested or deposited in the Co-operative bank to which the society is affiliated.	No change
(3)	"The amount of contribution that can be made by an employee in any month should not exceed such sum as may be fixed by the general meeting subject to a maximum of 12% of his basic pay and dearness allowance for the time being payable to each of the employee."	The contribution which shall be paid by the employer i.e. PACS to the Fund shall be 12% of the basic pay and dearness allowance for the time being payable in a month to each of the employees, and the employee's contribution shall be equal to the contribution payable by the employer in respect of him and may, if any employee so desires, be an amount exceeding 12% of his basic pay and dearness allowance, subject to the condition that the employer shall not be under an obligation to pay any contribution over and above his contribution payable under this sub rule.
(4)	The society may make such contribution every year to the provident fund of the employees as may be approved by the general meeting and the Registrar but such contribution shall not exceed the annual contribution made by the employee concerned.	No change
(5)	The interest accrued on the investment of the provident fund of the employee shall be credited to the account of an individual employee concerned in proportion to the balance standing to the credited of each account at the close of the preceding year.	No change

The above amendments shall come into force with immediate effect.


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Registrar Cooperative Societies  
Himachal Pradesh

Copy to:-

1. The Additional Chief Secretary (Coop) to the Govt. of H.P. for information please.
2. The Additional Registrar Cooperative Societies Dharamshala for information.
3. The Additional Registrar Cooperative Societies, (Admin)/(Mon) Directorate of Cooperation Shimla-9 for information.
4. The Joint Registrar Cooperative Societies (Marketing)/(Credit) Directorate of Cooperation Shimla-9 for information.
5. The Deputy Registrar Cooperative Societies Shimla/Mandi/ Dharamshala for information.
6. The Managing Director, the H.P. State Cooperative Bank Ltd the Mall Shimla-I for information.
7. The Managing Director, the Kangra Central Coop. Bank Lld; Dharamshala for information.
8. The Managing Director, the Jogindra Central Coop. Bank Lld; Solan for information.
9. Sh. Desh Raj Sharma, President, the PACS employee's Union c/o Baloh Coop. Society Ltd; Baloh Distt Hamirpur(H.P.) Pin 177029 for information
10. Sh Desh Raj Thakur, General Secretary, the PACS employee's Union c/o Didwin Agri Service Society Ltd; Didwin Distt Hamirpur(H.P.) Distt Hamirpur for information.
11. The Secretary , HIMCOFED Ltd; Sehkar Bhawan Shimla-4 for publication of the same in Sehkar Darpan for information.

s/c

  
Registrar Cooperative Societies  
Himachal Pradesh