G.O.(Ms)No.94/2022/ID

GOVERNMENT OF KERALA

Abstract

Industries Department-Kerala Rubber Limited-increasing the authorized share capital of KRL from Rs. 10 lakh divided in 10,000 equity shares of Rs.100 each to Rs.100 crores divided into one crore equity shares of Rs.100 each.-Sactioned-Orders issued.

INDUSTRIES(G)DEPARTMENT

G.O.(Ms)No.94/2022/ID Dated,Thiruvananthapuram, 23-09-2022

Read 1 G.O(Ms) 16/2019/ID dated 02-02-2019.

2 G.O(Ms) 38/2019/ID dated 20-05-2019.

3 Letter No. KRL/CMDO/8/2022-23 dated 08-04-22 from Chairperson and Managing Director,Kerala Rubber Limited.

4 Letter No KRL/CMDO/103/2022-23 dated 11-08-22 from Chairperson and Managing Director,Kerala Rubber Limited.

ORDER

As per the G.O read as 1st paper above , State Government established Kerala Rubber Ltd (KRL)with the broad objective of functioning as a promotional agency to enhance rubber-based value addition in the State.Vide G.O read as 2nd paper above, it was ordered that the authorized capital of Kerala Rubber Limited at the time of incorporation shall be fixed at Rs 10 Lakhs divided into 10,000 equity shares of Rs.100 each and the subscribed capital was fixed as Rs 5 lakh divided into 5000 equity shares of Rs 100 each.

The Chairperson & Managing Director, KRL as per letter read 3rd

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above has informed that, in the 4th Board Meeting of KRL held on 11.03.2022 it was decided that for the establishment and promotion of Kerala Rubber Limited, the Company has to mobilize funds from the State Government, State Government Undertakings and other prospective stakeholders to meet the fund requirement for the initial phase of its activities and request for ample financial support from the stakeholders in the form of share capital contribution. Further, to receive share capital contribution from the State Government and other prospective stakeholders, the Authorized share capital of the Company need to be raised substantially from the existing level of Rs 10,00,000/- (Rupees Ten Lakhs Only). After discussions, the Board of Directors resolved that Authorized capital of the company may be raised to Rs. 100 crores. The matter was taken up with the Shareholders of the Company at Extraordinary General Meeting held on 07.04.2022 and it was approved by the shareholders to enhance the Authorized Share Capital of the Company from Rs. 10 lakhs to Rs. 100 Crores.

The CMD, KRL has requested Government to sanction the resolution passed by the shareholders of the Company on 07.04.2022 and issue Order to enhance the Authorized Share Capital of the Company from Rs. 10 lakhs divided in 10,000 equity shares of Rs. 100 each to Rs. 100 Crores divided into 1 Crore equity shares of Rs. 100 each. Through her letter read as 4th paper above, the CMD, KRL has also clarified that increasing the authorized share capital of KRL from Rs. 10 lakh divided in 10,000 equity shares of Rs.100 each is essential due to the following reasons:

1.Kerala Rubber Limited aim for the establishment of natural rubber based industries in the State.

2.Kerala Rubber Limited intends to formulate a CIAL model company through investment from the private sector. For accepting the

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investment from the private sector, the present equity base is highly inadequate.

3. It is very difficult for a company having an authorized share capital of mere Rs. 10 lakh to carry out all the activities which was intended to be implemented through G.O(Ms) No 16/2019/ID dated 02-02-2019.

Government have examined the matter in detail and agrees to increase the authorised share capital of Kerala Rubber Limited from Rs. 10 lakh divided in 10,000 equity shares of Rs.100 each to Rs.100 crores divided into one crore equity shares of Rs.100 each.

(By order of the Governor)
SUMAN BILLA
PRINCIPAL SECRETARY

To:

The Chairperson and Managing Director,Kerala Rubber Limited,Kottayam
The Director of Industries and Commerce ,Thiruvananthapuram
The Managing Director,Kerala State Industrial Development Corporation,Thiruvananthapuram
The Managing Director, KINFRA,Thiruvananthapuram
The Principal Accountant General(Audit)/ (A&E),Kerala,Thiruvananthapuram
The Accountant General(E&RSA),Thrissur
The Information and Public Relations Department
Stock File/Office Copy.

Forwarded /By order

Section Officer