

Coastal Corporation Ltd.

(CIN : L63040AP1981PLC003047)

GOVT. OF INDIA RECOGNISED ★ ★ TWO STAR EXPORT HOUSE

Regd. Off. : 15-1-37/3, Nowroji Road, Maharanipecta, Visakhapatnam - 530 002, INDIA
Phone : 0891-2567118, Fax : 0891-2567132

www.coastalcorp.co.in, Email : cclinvestors@gmail.com, info@coastalcorp.co.in

Plant Unit 1 : Marikavalasa (V), Paradesipalem Panchayat, Visakhapatnam Dist.

Plant Unit 2 : P. Dharmavaram Village, S. Rayavaram Mandal, Visakhapatnam Dist.

Date: 16.04.2018

To
The Assistant General Manager
Department of Corporate Services,
Bombay Stock Exchange Limited
P.J.Towers, Dalal Street
Mumbai-400001

Dear Sir,

Sub: Postal Ballot Notice & Form and Newspaper Notice for Shareholders

This is further to our letter dated 7th April, 2018 regarding the outcome of the Board Meeting wherein issue of Bonus Shares in the proportion of 3 (Three) Bonus equity shares of Rs.10/- each for every 1 (One) existing equity share of Rs.10/- each was recommended by the Board.

Please find enclosed herewith Postal Ballot Notice and Form seeking consent of the Shareholders for the following:

1. To capitalize reserves of the Company and to issue Bonus Shares in the ratio of 3:1 i.e., (three) new Bonus Equity Shares of Rs. 10/- each for every existing 1 (One) fully paid up equity share of Rs. 10/- each of the Company.

We have completed the dispatch of Postal Ballot Notice to the all the eligible shareholders on 16.04.2018.

Thanking you,

Yours Faithfully,
For Coastal Corporation Limited


Swaroopa Meruva
Company Secretary





COASTAL CORPORATION LIMITED

(CIN: L63040AP1981PLC003047)

15-1-37/3, Jayaprada Apartments, Nowroji Road, Maharanipeta, Visakhapatnam – 530 002,
A.P. India.

Email: cclinvestors@gmail.com

Phone: 0891-2567118

NOTICE OF POSTAL BALLOT

(PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 READ WITH RULE 22 OF COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014)

TO THE MEMBERS OF THE COMPANY,

Notice is hereby given that pursuant to Section 110 of the Companies Act, 2013 (hereinafter referred to as “the Act” read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (hereinafter referred to as “the Rules”) including any statutory modification or re-enactment thereof, for the time being in force, the resolution appended below is proposed to be passed by way of Ordinary Resolution through Postal Ballot/E -Voting.

An Explanatory Statement pursuant to Section 102 of the Act pertaining to the aforesaid resolution stating the material facts is annexed herewith along with the Postal Ballot Form for consideration by the Members.

Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the duly completed form in the attached self addressed postage pre-paid envelope so as to reach the scrutinizer not later than 5.00PM (IST) on 16th May, 2018.

The proposed Ordinary Resolution is given below for your consideration.

SPECIAL BUSINESS:

Item No. 1: To capitalize reserves of the Company and to issue Bonus Shares

To consider and if thought fit to pass, the following resolutions as **Ordinary Resolution:**

RESOLVED THAT pursuant to Section 63 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014 (Including any statutory modifications or re-enactment thereof for the time being in force) and the relevant clauses of the Memorandum and Articles of Association of the Company and subject to the regulations and guidelines issued by the Securities and Exchange Board of India (SEBI) including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time) and further subject to such permissions, sanctions and approvals as may be required in this regard, approval of the Company be and is hereby accorded for capitalization of Rs. 7,62,66,000 (Rupees Seven Crores Sixty Two Lakhs, Sixty Six Thousand Only) standing to the credit of the Security Premium/Capital Redemption Reserve/Free Reserves as permissible under the Act and that the said amount be transferred to the Share Capital Account and be applied for issue and allotment of 76,26,600 (Seventy Six Lakhs Twenty Six Thousand Six Hundred) Equity Shares of Rs. 10/- each as Bonus Equity Shares, credited as fully paid-up equity shares to the holders of existing equity share(s) of the company whose names appear in the Register of Members maintained by the company and the List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on such Record Date as fixed by the Board, in the proportion of 3 (Three) Bonus equity shares of Rs.10/- each for every 1 (One) existing equity share of Rs.10/- each held by the Members/Beneficial Owners.

RESOLVED FURTHER THAT no letter of allotment shall be issued in respect of the Bonus Equity Shares. The Share Certificate(s) for Bonus Equity Shares be issued / dispatched to the Shareholders who hold the existing shares in physical form and the respective beneficiary accounts be credited with the Bonus Equity Shares.

RESOLVED FURTHER THAT the issue and allotment of the said bonus shares to the extent that they relate to Non-Resident Indians (NRIs), Persons of Indian Origin/Overseas Corporate Bodies and other foreign investors of the company, will be subject to the approval of the Reserve Bank of India (RBI) and any other regulatory authority, as may be required.

RESOVLED FURTHER THAT the Board be and is hereby authorized to take necessary steps for Listing of the Bonus Equity Shares so allotted on the Stock Exchanges where the securities of the Company are listed as per the SEBI (LODR) Regulations, 2015 with the Stock Exchanges concerned and other applicable laws and regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may in its absolute discretion, deem necessary, expedient including settling any question, doubt or difficulties that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto and for matters connected herewith or incidental hereto expressly by the authority of this resolution and the Board's decision in this regard shall be final and binding.

The Board of Directors of the Company at its Meeting held on 7th Day of April, 2018 has appointed Mr. Kuchipudi Surendra, Practising Company Secretary (Mem No.34205 & CP No. 12732) as the Scrutinizer for conducting the Postal Ballot and E-Voting process in a fair and transparent manner as below:-

a) Voting through e-Voting:

In Compliance of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Section 108, 110 of Companies Act, 2013 read with the Rules, the Company is pleased to provide Electronic Voting ("e-Voting") facility to all its members, to enable them to cast their votes electronically. The Company has engaged the services of M/s. Central Depository Services (India) Limited ("CDSL") to provide e-Voting facility to its Members. The voting period begins on 17.04.2018 at 9.00AM and ends on 16.05.2018 at 5.00PM. The e-voting module shall be disabled by CDSL for voting thereafter. During the period, shareholders of the Company, holding shares either in Physical Form or in dematerialized form, may cast their vote electronically. It may be noted that e-voting is optional. In case a Member has voted through e-voting as well as sends his/her vote through physical vote, the vote cast through e-voting shall only be considered and the voting through Physical Postal Ballot form shall not be considered by the Scrutinizer.

b) Voting through Postal Ballot:

The Postal Ballot Form for voting by you is enclosed.

Please read carefully the instructions printed overleaf the Postal Ballot Form and return the Form duly completed and signed in the attached self-addressed Pre-paid "Business Reply Article", so as to reach the Scrutinizer by 5.00PM on 16.05.2018. Please note that any postal ballot form(s) received after the said time & date will be strictly treated as if no reply has been received from you.

The Scrutinizer shall, after completion of the scrutiny of the Postal Ballots (including e-voting) submit his report to the Chairman and Managing Director or any other Director duly authorized by him and shall announce the results at the Registered Office of the Company at 15-1-37/3, Jayaprada Apartments, Nowroji Road, Maharani-peta, Visakhapatnam-530002. The said results would also be displayed on the Website of the Company at www.coastalcorp.co.in and shall be intimated to the Stock Exchanges where the shares of the Company are listed.

**By Order of the Board,
For Coastal Corporation Limited,**

**Sd/-
T.Valsaraj
Managing Director
DIN: 00057558**

Date: 10.04.2018

Place: Registered Office:
Door No. 15-1-37/3,
Jayaprada Apartments,
Nowroji Road
Maharani-peta,
Visakhapatnam-530002.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) AND SECTION 110 & RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES 2014.

Item No. 1: To capitalize reserves of the Company and to issue Bonus Shares

Considering Free Reserves of the Company, the Board of Directors of the Company have recommended Capitalization of Reserves to the extent of Rs. 7,62,66,000 (Rupees Seven Crores Sixty Two Lakhs Sixty Six Thousand Only) standing to the credit of Security Premium/Capital Redemption Reserve/Free Reserves as on 31.03.2017 and that the said amount shall be transferred to the Share Capital Account and will be applied for issue and allotment of 76,26,600 (Seventy Six Lakhs Twenty Six Thousand Six Hundred) Equity Shares of Rs. 10/- each as Bonus Equity Shares to the eligible shareholders in the ratio of 3 (Three) Bonus Equity Shares of Rs.10/- each for every 1(One) Equity Share held, with the approval of the Members. The proposal for capitalization of said reserves and issue of Bonus Shares is now placed for consideration and approval of the Members. The Board in its Meeting held on 07th April, 2018 approved the above proposal for placing before the Members through the process of Postal Ballot. The Board accordingly recommends the passing of the proposed Ordinary Resolution by Members of the Company as placed above, through the process of Postal Ballot/E-Voting.

The Record date for determining the eligibility of the Shareholders to receive the said Bonus Shares will be fixed by the Board and intimated accordingly.

Relevant document(s) referred in respect of the said item is/are open for inspection by the Members at the Registered Office of the Company on all working days during 10.00AM to 12.00PM upto 16th May, 2018.

The Directors, Key Managerial Personnel or their relatives holding shares in the Company may be deemed to be concerned or otherwise interested in the said Ordinary Resolution, only to the extent of their shareholding.

**By Order of the Board,
For Coastal Corporation Limited,**

**Sd/-
T.Valsaraj
Managing Director
DIN: 00057558**

Date: 10.04.2018

Place: Registered Office
Door No. 15-1-37/3,
Jayaprada Apartments,
Nowroji Road
Maharanipeta,
Visakhapatnam-530002.

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 to the proposed Ordinary Resolution setting out the material facts and the reasons for the same are as given above.
2. The Notice of Postal Ballot is being sent by post or electronically by e-mail to Members who have registered their e-mail IDs either with their respective depositories or with the company and whose names appear in the Register of Members/Records of Depositories as on 06th April, 2018. The Voting Period begins 17.04.2018 at 9.00AM and ends on 16.05.2018 at 5.00PM. During this period, Members of the Company, holding shares either in Physical Form or in Dematerialized form, as on the cut-off date of 06th April, 2018 may cast their vote electronically or submit their Ballot Form.
3. Voting rights are reckoned in proportion to the paid up equity shares registered in the name of the Members/Beneficial Owners as on 06th April, 2018.
4. Resolutions passed by the Members through Postal Ballot are deemed to have been passed effectively at a General Meeting.
5. You are requested to read carefully the instructions printed overleaf the Postal Ballot Form and return the Form duly completed, in the attached self-addressed Pre-paid Business Reply Envelope so as to reach the Scrutinizer by 5.00 PM on 16.05.2018.
6. The Company has appointed Mr. Kuchipudi Surendra (Mem No. 34205 and CP No. 12732), a Practicing Company Secretary, as Scrutinizer for conducting the Postal Ballot Process in a fair and transparent manner.
7. The Scrutinizer, after completion of the scrutiny, will submit his report to the Chairman or any other Director of the Company. The Chairman or such Director of the Company duly authorized by him shall announce the results at the Registered Office of the Company at Door No. 15-1-37/3, Jayaprada Apartments, Nowroji Road, Maharanipeta, Visakhapatnam-530002. The said results would also be displayed on the Website of the Company www.coastalcorp.co.in and shall be intimated to the Stock Exchanges where the shares of the Company are listed.

The resolution, if approved, will be taken as passed effective on 16.05.2018 being the last date specified for receipt of duly completed Postal Ballot Form/E-Voting.

8. The Company also offers E-Voting facility. Please see the instruction below for details:

In compliance with provisions of Section 108 and 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management of Administration) Rules, 2014 & Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company offers e-voting facility to all the Members. For this purpose, the Company has signed an agreement with Central Depository Services (India) Limited("CDSL") for facilitating E-Voting and is pleased to offer E-Voting facility as an alternate, for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form, E-Voting is Optional.

9. Shareholders to whom documents have been sent physically have the option to vote either through E-Voting or through Postal Ballot Form. In case shareholder who have received

Notice of Postal Ballot through e-mail but who wish to vote through Ballot Form can download the Ballot form investors section of our website www.coastalcorp.co.in. or seek duplicate from Bigshare Services Pvt. Ltd(Registrar & Share Transfer Agents).Flat 306, 3rd Floor, Right Wing, Amrutha Ville Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500082 and send the same to Scrutinizer by Post in the self addressed postage prepaid envelope so as to reach not later than 5.00 PM on 16.05.2018.

10. The instructions for voting electronically are as under:-

The voting period begins 17.04.2018 at 9.00AM and ends on 16.05.2018 at 5.00PM. During the period, shareholders of the Company, holding shares either in Physical Form or in Dematerialized form, as on the cut-off date 06.04.2018 may cast their vote electronically. The E-Voting module shall be disabled by CDSL for voting thereafter.

In case of shareholders receiving e-mail from CDSL:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders/Members.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

		E-Voting Start Date & Time	E-Voting End Date & Time
EVSN Reference No	180410004	17.04.2018 at 9.00 A.M	16.05.2018 at 5.00 P.M

- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID.
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as Physical Shareholders) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Serial Number (refer Serial No. printed on the name and Address Sticker/Postal Ballot Form) in the PAN Field.• In case the Serial Number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL Letters. Eg. if your name is Lohit Ray with Serial Number 1 then enter LO00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your Demat account or in the Company Records for the said Demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your Demat account or in the Company Records for the said Demat account or folio. <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member ID / Folio Number in the Dividend Bank details field.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for Resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <Company Name i.e., COASTAL CORPORATION LIMITED> on which you choose to vote.

- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the Resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B. In case of members receiving the physical copy of Postal Ballot Form by Courier (for members whose e-mail ids are not registered with the Company/Depositories):

Please follow all steps from Sl. No. (i) to Sl. No. (xvi) Above to cast vote.

- (xvii) In case of any query pertaining to e-voting, please visit Help & FAQs section of www.evotingindia.com.

COASTAL CORPORATION LIMITED

(CIN: L63040AP1981PLC003047)

15-1-37/3, Jayaprada Apartments, Nowroji Road, Maharani-peta, Visakhapatnam -
530 002, A.P. India.

POSTAL BALLOT FORM

(Please read the instructions printed overleaf carefully before completing this Form)

Postal Ballot Form No.: _____

1. Name (s) of the Member(s):
(Including Joint Holders, if any)

2. Folio No./DP ID No./Client ID No.
(Applicable to the Members holding
Shares in Dematerialised Form):

3. Registered Address of the
Sole/First Named Member:

4. Number of Shares held:

5. I/We hereby exercise my/our vote in respect of the Resolutions to be passed through Postal Ballot for the Business as stated in the Notice of the Company dated 10.04.2018 by conveying my/our assent or dissent to the said resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Description	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Ordinary Resolution to capitalize Reserves of the Company and to issue Bonus Shares			

Place: _____

Date: _____

Signature of the Member

NOTE: Last date for receipt of Postal Ballot Form by the Scrutinizer is 16.05.2018.

The Company has engaged the services of CDSL as authorized agency to provide e-voting facility. The e-voting particulars are set out below:

EVSN (Electronic Voting Sequence No.)	USER ID	PASSWORD/PIN

INSTRUCTION FOR VOTING IN PHYSICAL FORM

- (i) A Member desiring to exercise voting right by postal ballot may complete the Postal Ballot Form (no other form or photocopy thereof is permitted) and send it in the attached self-addressed Business Reply Envelope, so as to reach the Scrutinizer on or before 16th Day of May, 2018 (5.00 P.M). The Postal Ballot Forms received after this date will be treated as if the reply from the Member has not been received.
- (ii) Envelopes containing postal ballots, if sent by courier at the expense of the registered member will also be accepted.
- (iii) The votes should be cast either in favour or against the resolution by putting the tick (✓) mark in the column provided for assent or dissent. Postal Ballot Form bearing (✓) mark in both the columns will render the form invalid.
- (iv) Incomplete, unsigned or incorrectly filled Postal Ballot Forms will be rejected. Form which is defaced or mutilated in such a way that its identity as as genuine form cannot be established will be treated as invalid. Any amendment to the resolution or imposition of any condition by any member while exercising his vote shall render the postal ballot form invalid.
- (v) The Postal Ballot Form should be completed and signed by the sole/first named Member and in his absence, by the next named Member, as per specimen signature registered with the Company. In case of shares held by companies, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the board resolution/authority letter, together with attested specimen signature(s) of the authorized signatory (ies).
- (vi) Members are requested to fill the Postal Ballot Form in indelible ink and not in any erasable writing mode.
- (vii) Members are requested not to send any other paper along with Postal Ballot Form in the enclosed self-addressed business reply envelope and any extraneous paper found in the envelope will be destroyed by the Scrutinizer.
- (viii) A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified in Point No.(i) above.
- (ix) Any Member, who wants to cast his vote electronically instead of physical Postal Ballot Form, may refer the detailed procedure mentioned in the notes to the Postal Ballot Notice.
