

COASTAL CORPORATION LIMITED

(CIN: L63040AP1981PLC003047)

VISAKHAPATNAM

33rd ANNUAL GENERAL MEETING

ON TUESDAY, 30th SEPTEMBER'2014 at 10.30 A.M.

at

Plant Office: D.No.6-42, Besides Toyota Showroom, Marikavalasa,
Visakhapatnam-530 041, Andhra Pradesh, India

BOARD OF DIRECTORS	
Mr. T.Valsaraj	Managing Director
Mr. G.V.V.Satyanarayana	Director - Finance
Mrs. Jeeja Valsaraj	Director
Mr. S.Rajaram	Independent Director
Prof. Kamireddi Venkateswara Rao	Independent Director
Mr. Dilip Anant Biwalkar	Independent Director

Auditors :

CA V.V.S.Bhagavan
Chartered Accountant
Hyderabad

BANKERS :

Bank of India
Main Branch
Visakhapatnam
Andhra Pradesh.

REGISTERED OFFICE :

D.No. 15-1-37/3, JAYAPRADA APARTMENTS, NOWROJI ROAD,
MAHARANIPETA, VISAKHAPATNAM-530 002, ANDHRA PRADESH, INDIA
Phone : 0891-2567118, 2552556 Fax : 0891 - 2567132
Email : coastal6@eth.net , cclinvestors@gmail.com
Company Website : www.coastalcorp.in

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **THIRTY THIRD Annual General Meeting of the Members of COASTAL CORPORATION LIMITED** will be held on **Tuesday, the 30th day of September' 2014 at 10.30 A.M. at the Plant Office of the Company situated at D.No.6-42, besides Toyota Showroom, Marikavalasa, Visakhapatnam-530 041, Andhra Pradesh, India.**

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Annual Accounts consisting of the Profit & Loss Account for the year ended 31st March, 2014 and the Balance Sheet of the Company as on that date, Schedules and Notes thereon together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Jeeja Valsaraj (Din No. 01064411), who retires by rotation and being eligible, offer herself for re-appointment.
3. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.**

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, M/s.. K.P.Rao Associates, Chartered Accountants, Hyderabad (Firm No.003136S) be and are hereby appointed as Statutory Auditors of the Company to hold office for a period of Three (3) years from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the Financial Year 2016-17 at such remuneration as may be mutually agreed between Board of Directors and the Auditors in place of Sri CA.V.V.S. Bhagavan, the continuing Statutory Auditors, who have given their consent for appointment of M/s. K.P.Rao Associates due to organizational convenience.

RESOLVED FURTHER THAT the appointment of M/s.. K.P.Rao Associates, Chartered Accountants, Hyderabad for a period of 3 (Three) years made at the ensuing Annual General Meeting shall be subject to ratification at every Annual General Meeting of the Company."

SPECIAL BUSINESS:

4. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including

any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri. Rajaram Sirangu (Din No.01679004), an Independent Director of the Company and whose office is liable to be determined by retirement of Directors by rotation, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for Five consecutive years upto 29th September, 2019 and not liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Prof. Venkateswara Rao Kamireddi (Din No. 01678973), an Independent Director of the Company and whose office is liable to be determined by retirement of Directors by rotation, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for Five consecutive years upto 29th September, 2019 and not liable to retire by rotation."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri Dilip Anant Biwalkar (Din No.00016677), an Independent Director of the Company and whose office is liable to be determined by retirement of Directors by rotation, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for Five consecutive years upto 29th September, 2019 and not liable to retire by rotation."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013, (the 'Act') the Register of Members, Index of Members, Register of Share Transfers, Register and Index of Debenture holders, if any, prepared in accordance with the provisions of Section 88 of the Act, in respect of the Shares and Debentures issued by the Company from time to time, shall be kept at the office of the

Registrar and Share Transfer Agents of the Company, Bigshare Services Private Limited, 306, Amruthaville Apartments, Rajbhavan Road, Somajiguda, Hyderabad, till such time the same is required to be maintained under the provisions of the Act and unless some other place is directed or informed by the Company."

8. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and in pursuance of all earlier Resolutions passed in this regard under the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company (here-in-after referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to borrow and raise such sum or sums of money from time to time as may be required for the purpose of business of the Company from Company's bankers, other bankers including foreign bank, financial institutions or other persons, firms, bodies corporate, or any other juristic person on such terms and conditions as may be considered and suitable by the Board of Directors up to a limit of Rs.200 Crores (Rupees Two Hundred Crores Only) notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the Company (apart from the temporary loans obtained from the Company's' bankers in the ordinary course of business) may exceed the aggregate of the Paid up Capital of the Company and its Free Reserves of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do or cause to be done all such acts, matters, deeds and other things as it may in their absolute discretion deem fit, required or considered necessary or incidental thereto, for giving effect to the aforesaid Resolution."

9. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and in pursuance of all earlier Resolutions passed in this regard under the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company (here-in-after referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to create such mortgages/charges/ hypothecation and /or other encumbrances, if any created by the Company on all or any part of the immovable and /or movable properties, current and/or fixed assets, tangible or

intangible assets, book debts and / or claims of the Company wheresoever's situate, present and future, with power to enter upon and take possession of assets of the Company in certain events when so provided in the agreements(s) entered into, such charges to rank either pari passu with or second, subsequent and subordinate to all mortgages, charges, hypothecation and other encumbrances created/ to be created by the Company in favour of Indian or Foreign Financial Institutions, Banks and other lending institutions and /or to such other persons, if any from whom the Company has/ or proposed/ proposes to borrow money/sums of money's by way of term loans, cash credits, overdrafts, discounting of bills inter corporate deposits, commercial papers or such other Financial Instruments permitted to be issued by the appropriate authorities from time to time together with interest, cost, charges and other incidental expenses and other monies in terms of the agreement(s) entered/ to be entered into by the Board of Directors/ any Committee thereof the Company within the overall borrowing limits of Rs. 200 Crores (Rupees Two Hundred Crores Only) as fixed pursuant to Section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, matters, deeds and other things as it may in their absolute discretion deem fit, required or considered necessary or incidental thereto, for giving effect to the aforesaid Resolution."

10. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196 and 197 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, for the time being in force and subject to such other approvals including that of the Central Government, if so required and as may be necessary, consent of the Company be and is hereby accorded for revising and payment of remuneration of Sri. T. Valsaraj, (DIN No. .00057558) during the remaining tenure of his office as Managing Director of the Company w.e.f. 1st October, 2014 as hereunder:

Salary : Rs. 2,75,000/- (Rupees Two Lakh Seventy Five Thousand) per month.

In addition to the salary, he shall be provided with the following perquisites:

- (i) Medical Reimbursement : Actual Expenses incurred for the Managing Director and his family.

Explanation : "Family" means the spouse, the dependent children and dependent Parents

- (ii) Gratuity : Gratuity payable shall be in accordance with the provisions of the

payment of Gratuity Act, 1972.

RESOLVED FURTHER THAT where in any Financial Year during his tenure , if the Company has no profits or its profits are inadequate, the minimum remuneration will be paid, subject to such statutory approvals as may be applicable.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation relating to the payment of remuneration to the managerial personnel or to Schedule V to the Companies Act, 2013, the Board of Directors be and are hereby authorized to vary or increase the remuneration within the prescribed limits.

RESOLVED FURTHER ALSO THAT the Board of Directors be and are hereby authorized to take all necessary steps and do all deeds and things as may be deemed expedient or desirable to give effect to this resolution."

11. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 196 and 197 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, for the time being in force and subject to such other approvals including that of the Central Government, if so required and as may be necessary, Sri. G.V.V. Satyanarayana (DIN No. 00187006) be and is hereby appointed as Whole-time Director designated as Director-Finance for a period of 3 (Three) years with effect from 1st October, 2014, during which term of office, he shall not be liable to retirement by rotation, on the terms and conditions as to remuneration as hereunder:

(i) Salary: Rs. 1,75,000/- (Rupees One Lakh Seventy Five Thousand) Per month.

In addition to the salary, he shall be provided with the following perquisites:

- (ii) Medical Reimbursement: Actual Expenses incurred for the Whole-time Director and his family.

Explanation : "Family" means the spouse, the dependent children and dependent Parents

- (iii) Gratuity : Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act, 1972.

RESOLVED FURTHER THAT where in any Financial Year during his tenure , if the Company has no profits or its profits are inadequate, the minimum remuneration will be paid, subject to such statutory approvals as may be applicable.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation relating to the payment of remuneration to the managerial personnel or to Schedule V to the Companies Act, 2013, the Board of Directors be and are hereby authorized to vary or increase the remuneration within the prescribed limits.

RESOLVED FURTHER ALSO THAT the Board of Directors be and are hereby authorized to take all necessary steps and do all deeds and things as may be deemed expedient or desirable to give effect to this resolution."

(12) To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 13 and 61 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), the Authorized Share Capital of the Company of Rs. 5,00,00,000/- (Rupees Five Crores Only) divided into 30,00,000 (Thirty Lakhs only) Equity Shares of Rs. 10/- each and 20,00,000 (Twenty Lakhs only) Redeemable Preference Shares of Rs. 10/- (Rupees Ten only) each be and is hereby **reclassified and consolidated into** the Authorised Share Capital as Rs. 5,00,00,000/- (Rupees Five Crores Only) divided into 50,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each and accordingly, the Share Capital Clause of the Memorandum of Association and Articles of Association of the Company be and are hereby altered as follows:

Clause V of the Memorandum of Association be and is hereby altered and substituted as follows:

Clause V: The Authorised Share Capital of the Company is Rs. 5,00,00,000/- (Rupees Five Crores Only) divided into 50,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each with powers to increase and reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes and attach thereto respectively such preferential, special rights, privileges or conditions as may be determined by or in accordance with Regulations of the Company."

Article No. 3 of the Articles of Association be and is hereby altered and substituted as follows:

Article No. 3: The Authorised Share Capital of the Company is Rs. 5,00,00,000/- (Rupees Five Crores Only) divided into 50,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each with powers to increase and reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes and attach thereto respectively such preferential, special rights, privileges or conditions as may be determined by or in accordance

with Regulations of the Company.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all necessary steps and do all deeds and things as may be deemed expedient or desirable to give effect to this resolution."

(13)To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT consent of the Company be and is hereby accorded to acquire the Company namely "Continental Fisheries India Private Limited" (CIN No. U05000AP2014PTC094907) which has been carrying on the business of 3 tuna long liners for catching tuna fishing activities, as wholly owned Subsidiary of the Company(100%) after acquiring the entire Equity Share Capital of 27,600 Equity Shares of Rs. 10/- each from its existing Promoters by complying with the concerned provisions and procedure in this regard.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all necessary steps and do all deeds and things as may be deemed expedient or desirable to give effect to this resolution."

Regd. Office:
15-1-37/3,
Jayapada Apartments,
Nowroji Road, Maharanipecta,
Visakhapatnam-530 002

By Order of the Board
for Coastal Corporation Limited

Sd/-
(T.Valsaraj)
Managing Director

Place : Visakhapatnam
Date : 30.08.2014

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 which sets out details relating to Special Business at the meeting, is annexed here to and forms part of notes.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding 50 (Fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company.
3. The instrument of Proxy, in order to be effective should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies and other juristic persons must be supported by an appropriate resolution / authority as applicable.
4. Pursuant to the Provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 21.09.2014 to 29.09.2014 (both days inclusive).
5. Members desiring to seek any information on the annual accounts are requested to write to the Company's Compliance Officer at least seven days in advance of the meeting so that the information can be made available at the meeting.
6. The members are requested to intimate to the Company any change of their address quoting their Share Ledger Folio No(s).
7. Members / Proxy holders must bring the Attendance Slip duly filled and signed, and hand over it at the entrance of the meeting hall. Xerox Copy / torn attendance slips will not be accepted at the entrance of the Meeting Hall. Members are requested to bring their copy of the Annual Report to the Meeting, as copies will not be distributed at the Meeting hall, as measure of austerity. Corporate members are requested to send to the Company's duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM.
8. Only bonafide members of the Company whose names appear on the Register of Members/ Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting
9. In case of joint holders attending the meeting, the Member whose name appears as the First Holder in the order of names as per the Register of Members of the Company will be entitled to vote.

10. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Shareholders are entitled to make nomination in respect of shares held by them in physical form, Shareholders desirous of making nominations are requested to send their requests to the Registrar and Share Transfer Agents.
11. As per the Circular Number MRD/DOP/CIR-05/2009 Dt : May 20, 2009 issued by the Securities Exchange Board of India (SEBI) it is mandatory to quote PAN for transfer/ transmission of shares in physical form. Therefore, the transferee(s) / legal heirs requested to furnish a copy of PAN to the Registrar and Share Transfer agents.
12. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting, form integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/ re-appointment.
13. Electronic copy of the Annual Report for the year 2013-14 is being sent to all the members whose email ID are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the year 2013-14 is being sent in the permitted mode.
14. Members are requested to kindly register their e-mail-id with the company as you are aware that the Ministry of Corporate Affairs has taken a "Green initiative with regard to "Corporate Governance" by allowing paperless compliance by the companies and clarified that the service of documents by Companies to shareholders can be made through electronic mode. In compliance thereof, your company proposes to implement the same by sending the Annual report, Notice of Meetings and other communications to share holders in electronic mode to the e-mail address provided by them through company email id cclinvestors@gmail.com
16. Members who holds shares in the dematerialized form are requested to write their DP ID and Client ID and those holding shares in physical form are requested to write their Folio Number in the attendance slip and hand it over at the entrance of the Meeting Hall.
17. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during the office hours on all working days except Sunday and Holidays.

Annexure to the Notice:

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS OF THE ACCOMPANYING NOTICE PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Regarding Item Nos. 4, 5 & 6:

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement, appointed Sri Rajaram Sirangu, Prof. Kamireddi Venkateswara Rao and Sri Dilip Anant Biwalkar as Independent Directors.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, came into effect from April 1, 2014, every Listed Public Company is required to have at least one-third of the total number of Directors as Independent Directors, who are not liable to retire by rotation.

Item No. 4.

Sri Rajaram Sirangu is currently Non-Executive Independent Director of the Company. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Sri Rajaram Sirangu, being eligible and offer himself for appointment, is proposed to be appointed as an Independent Director for a term of 5 (Five) consecutive years upto 29th September, 2019. In the opinion of the Board, Sri. Rajaram Sirangu fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and is Independent of the Management and the Company has also received declaration from him. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Notice has been received from members proposing the candidature of Sri. Rajaram Sirangu for the office of Independent Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Sri Rajaram Sirangu as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Sri Rajaram Sirangu as an Independent Director, for the approval by the shareholders of the Company.

Copy of the draft letter for appointment of Sri Rajaram Sirangu as an Independent Director setting out the terms and conditions would be available for inspection by the members at the Registered Office of the Company during the office hours on all working days except Sundays and public holidays upto the date of Annual General Meeting of the Company between 9.30 A.M. to 11.30 A.M. His qualifications and experience are detailed under the heading "Information about the Directors to be appointed / to be appointed" which forms part of this Notice.

Except Sri. Rajaram Sirangu, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is/are concerned or interested in any manner, in passing the resolution set out in the Notice. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Item No. 5

Prof. Venkateswara Rao Kamireddi is currently Non-Executive Independent Director of the Company. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 Prof. Venkateswara Rao Kamireddi being eligible and offer himself for appointment , is proposed to be appointed as an Independent Director for a term of 5 (Five) consecutive years upto 29th September, 2019. In the opinion of the Board, Prof. Venkateswara Rao Kamireddi fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and is Independent of the Management and the Company has also received declaration from him. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Notice has been received from members proposing the candidature of Prof. Venkateswara Rao Kamireddi for the office of Independent Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Prof. Venkateswara Rao Kamireddi as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Prof. Venkateswara Rao Kamireddi as an Independent Director , for the approval by the shareholders of the Company.

Copy of the draft letter for appointment of Prof. Venkateswara Rao Kamireddi as an Independent Director setting out the terms and conditions would be available for inspection by the members at the Registered Office of the Company during the office hours on all working days except Sundays and public holidays upto the date of Annual General Meeting of the Company between 9.30 A.M. to 11.30 A.M. His qualifications and experience are detailed under the heading "Information about the Directors to be appointed / to be appointed " which forms part of this Notice.

Except Prof. Venkateswara Rao Kamireddi, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is/are concerned or interested in any manner, in passing the resolution set out in the Notice. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Item No. 6

Sri Dilip Anant Biwalkar is currently Non-Executive Independent Director of the Company. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 Sri Dilip Anant Biwalkar , being eligible and offer himself for appointment , is proposed to be appointed as an Independent Director for a term of 5 (Five) consecutive years upto 29th September, 2019. In the opinion of the Board, Sri Dilip Anant Biwalkar fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and is Independent of the Management and the Company has also received declaration from him. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Notice has been received from members proposing the candidature of Sri Dilip Anant Biwalkar for the office of Independent Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Sri Dilip Anant Biwalkar as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Sri Dilip Anant Biwalkar as an Independent Director, for the approval by the shareholders of the Company.

Copy of the draft letter for appointment of Sri Dilip Anant Biwalkar as an Independent Director setting out the terms and conditions would be available for inspection by the members at the Registered Office of the Company during the office hours on all working days except Sundays and public holidays upto the date of Annual General Meeting of the Company between 9.30 A.M. to 11.30 A.M. His qualifications and experience are detailed under the heading "Information about the Directors to be appointed / to be appointed" which forms part of this Notice.

Except Sri Dilip Anant Biwalkar, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is/are concerned or interested in any manner, in passing the resolution set out in the Notice. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

Sri Sirangu Rajaram : Independent Director

He is a Post Graduate (M.Sc) in Marine Biology, and has been associated with the Company since 30 years and has a lot of experience in the Marine and Export of Sea Foods Industry.

Prof. Kamireddi Venkateswara Rao: Independent Director

He is a Post Graduate (M.Tech) in Chemical Engineering and has been associated with the Company for the last 10 years and has a lot of experience in the administration.

Sri Dilip Anant Biwalkar : Independent Director

He is a Post Graduate (M.Sc) in Fisheries and has been associated with the Company for the last 9 years and has a lot of experience in the areas of Finance and Banking.

Smt Jeeja Valsaraj : Director

She is a Graduate in (B.A.), PG Diploma in Management and PG Diploma in Fashion Technology and has been associated with the Company for the last 10 years she has good experience in the areas of administration and management.

Item No. 7

The members are informed that Section 94 of the Companies Act, 2013 (the 'Act') provides that the Registers required to be kept and maintained by the Company under the provisions of the Section 88 may be kept at a place other than the Registered Office at any place in India in which more than one-tenth of the members reside, if the same is approved by the members by way of a Special Resolution.

The Company proposes to keep all the documents mentioned in Section 88 of the Act at the office of the Registrar and Share Transfer Agents of the Company viz. Bigshare Services Private Limited, 306, Amruthaville Apartments, Rajbhavan Road, Somajiguda, Hyderabad, till such time the same is required to be maintained under the provisions of the Act and unless some other place is directed or informed by the Company.

The Board of the Directors recommend passing of the Special Resolution at Item No. 7 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is/ are concerned or interested in any manner, in passing the resolution set out in the Notice.

Item No. 8

The members are informed that whenever the Company borrowing funds, loans or obtaining any financial assistance in excess of the paid up capital and reserves apart from temporary loans obtained/ to be obtained from the Company's bankers in the ordinary course of business, it has to comply with the provisions of Section 180(1)(c) of the Companies Act, 2013, which envisages a Special Resolution to be passed by the Members, authorizing the Directors to borrow moneys exceeding the Paid-up Share Capital and free reserves. In view of the proposed plans for expansion of the business by adding more related business activities which are viable, more funds are required in this regard. The Board considered to obtain more funds in addition to the existing loan/credit facilities, but not exceeding Rs. 200 Crores (Rupees Two Hundred Crores)

The Board of the Directors recommend passing of the Special Resolution at Item No. 8 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is/ are concerned or interested in any manner, in passing the resolution set out in the Notice.

Item No. 9

The members are informed that Whenever the Company borrows funds from time to time as per its requirements from the bankers, financial institutions and other Juristic Persons, subject to overall limit as approved by the Shareholders, need may arises to mortgage and create charge on the assets of the Company as per the requirement of the lenders and this would be regarded as disposal of the Company's properties/undertaking and it is incumbent to obtain the Shareholders approval under Section 180(1)(a) of the Companies Act 2013, by way of Special Resolution. The Board shall exercise such power only after obtaining the consent of the Shareholders at their Meeting.

The Board of the Directors recommend passing of the Special Resolution at Item No. 9 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is/ are concerned or interested in any manner, in passing the resolution set out in the Notice.

Item No. 10

The members are informed that Sri. T. Valsaraj, aged 60 years, is the Chief Promoter, First Director and presently Managing Director of the Company. He has been appointed as Managing Director in Extra-Ordinary General Meeting of the Company held on 27th day of January'2011. He is a B. Tech. He has total experience of over 35 years in the varied fields viz., project management, construction, infrastructure development projects and 32 years in export business of marine products and other merchandise. He has been devoting his entire time, efforts and energy to develop this Company in all aspects including strategic business planning and analysis of future competition and threats at Global level as the business of the company is export oriented in all kinds of marine products. His rich experience has brought this Company into one of the big players in export of marine products. His extensive involvement in wealth maximization and net worth build-up is clearly evident from the present financial structure of the Company. Apart from involvement in management and planning, Sri. T. Valsaraj is devoting his entire time to attain a Corporate Social Responsibilities also. The present remuneration of Sri. T. Valsaraj is Rs. 1,75,000/- only.

In view of all the above as mentioned, with all these years of such back ground, experience, and exposure, the present remuneration is far less than what he actually deserves. The Board considered all these facts and considerations and proposed to revise the remuneration from Rs. 1,75,000/- to Rs. 2,75,000/- w.e.f. 1st October, 2014.

In accordance with the provisions of Schedule V to the Companies Act, 2013, any remuneration payable to the Managerial personnel shall have to be approved by the Nomination and Remuneration Committee constituted with at least Three Non-Executive independent Directors and also a Special Resolution to that effect has to be passed at the General Meeting of the members of the Company for payment of such remuneration. Accordingly, as per the provisions of Schedule V to the Companies Act, 2013, the Nomination and Remuneration Committee has considered Financial position of the Com-

pany in all aspects & the profile of Sri. T. Valsaraj and duly approved the proposed remuneration of Rs. 2,75,000/-. Keeping in view of these provisions, the Board considered all these facts and proposed to revise the remuneration from Rs. 1,75,000/- to Rs. 2,75,000/- and other perquisites w.e.f. 1st October, 2014 as mentioned in the Resolution at Item No.10.

The copy of letter of appointment is kept open for inspection by any member of the Company under Section 190(2) of the Companies Act, 2013.

Except Sri. T. Valsaraj, being an appointee and Smt. Jeeja Valsaraj, wife of appointee and other none of Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in any manner in passing the resolution.

Item No. 11

The members are informed that Sri. G.V.V. Satyanarayana, is a Whole-Time Director designated as Director -Finance of the Company. His current term of appointment as a Whole Time Director of the Company will expire on 30th September, 2014. Sri G.V.V. Satyanarayana has been looking after the overall financial, administrative activities and Co-ordination with all the departments of the Company as well as Government Departments and Authorities. He has been devoting his entire time, efforts and energy to develop this Company in all aspects including strategic financial planning, co-ordination with all Compliance Departments, Income Tax, Statutory Compliances and other related affairs of the Company since 1988. His rich experience in the business of export of marine products and his extensive involvement would certainly benefit the company at large in the years to come. In view of all the above as mentioned, with all these years of such back ground, experience and exposure, his re-appointment is necessitated.

In accordance with the provisions of Schedule V to the Companies Act, 2013, any appointment and remuneration payable to the Managerial Personnel shall have to be approved by the Nomination and Remuneration Committee constituted with at least Three Non-Executive independent Directors and also a Special Resolution to that effect has to be passed at the General Meeting of the members of the Company for appointment and payment of such remuneration. Accordingly, as per the provisions of Schedule V to the Companies Act, 2013, the Nomination and Remuneration Committee has considered Financial position of the Company in all aspects & the profile of Sri. G.V.V.Satyanarayana and duly approved the proposed appointment and remuneration of Rs. 1,75,000/- per month.

In view of these, the Board has considered the re-appointment and payment of remuneration of Rs. 1,75,000/- and other perquisites to Sri. G.V.V.Satyanarayana as mentioned in the Resolution at Item No. 11 w.e.f. 1st October, 2014:

The copy of letter of appointment is kept open for inspection by any member of the Company under Section 190(2) of the Companies Act, 2013.

Except Sri. G.V.V. Satyanarayana, being an appointee, none of Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution.

Item No. 12

The members are informed that the present Authorised Share Capital of the Company is Rs. 5,00,00,000/- (Rupees Five Crores Only) divided into 30,00,000 (Thirty Lakhs only) Equity Shares of Rs. 10/- each and 20,00,000 (Twenty Lakhs only) Redeemable Preference Shares of Rs. 10/- (Rupees Ten only) each. The issued Equity Share capital consists of 12,71,100 (Twelve Lac Seventy One Thousand One Hundred only) Equity Shares of Rs. 10/- each aggregating to Rs. 1,27,11,000/- (Rupees One Crore Twenty seven Lac Eleven Thousand only). Infusion of capital from time to time is required for business growth as well as from prudence point of view. It ensures that healthy Capital adequacy and Debt Equity Ratio is maintained and enhances the borrowing capacity.

It is therefore, proposed to reclassify and consolidate the Authorized Share Capital of the Company of Rs. 5,00,00,000/- (Rupees Five Crores Only) divided into 30,00,000 (Thirty Lakhs only) Equity Shares of Rs. 10/- each and 20,00,000 (Twenty Lakhs only) Redeemable Preference Shares of Rs. 10/- (Rupees Ten only) each into the Authorised Share Capital of Company as Rs. 5,00,00,000/- (Rupees Five Crores Only) divided into 50,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each.

The Board of Directors recommend passing of the Special Resolution as mentioned in the Notice at Item No.12.

None of the Directors and Key Managerial Personnel of the Company and their relatives is/ are concerned or interested in any manner, in passing the resolution set out in the Notice.

Item No. 13

The members are informed that Company has taken the required steps to acquire the Company namely "Continental Fisheries India Private Limited" (CIN U05000AP2014PTC094907) which has been carrying on the business of 3 tuna long liners for catching tuna fishing activities, as wholly owned Subsidiary of the Company(100%) after acquiring the entire Equity Share Capital of 27,600 Equity Shares of Rs. 10/- each from its existing Promoters by complying with the concerned provisions and procedure in this regard.

The Board of Directors recommend passing of the Special Resolution at Item No. 13 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is/ are concerned or interested in any manner, in passing the resolution set out in the Notice.

Regd. Office:

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

By Order of the Board
for Coastal Corporation Limited

Place : Visakhapatnam
Date : 30.08.2014

Sd/-
(T.Valsaraj)
Managing Director

DIRECTOR'S REPORT

To

The Members
Coastal Corporation Limited
Visakhapatnam.

Your Directors have pleasure in presenting the Thirty Third Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the Financial Year ended 31st March, 2014 and the report of the Auditors thereon.

1. FINANCIAL RESULTS :

	Year Ended 31.03.2014 Rs.	Year Ended 31.03.2013 Rs.
Sales	206,06,04,498	143,14,60,283
Interest	22,05,238	5,32,501
Other Income including Operating Income	24,06,80,401	15,41,28,435
Total Income	230,34,90,137	158,61,21,219
Less : Expenditure	212,22,23,435	149,38,20,496
Profit before Depreciation and Taxation	18,12,66,702	9,23,00,723
Less : Depreciation	1,56,34,498	1,00,19,198
Profit before Taxation	16,56,32,204	8,22,81,525
Less: Provision for Tax	5,66,90,231	3,01,90,639
Less: Prior Period Adjustments	21,926	5,890
Net Profit After Tax & Prior period adjustments (a)	10,89,20,048	5,20,84,996
Balance brought forward from last year(b)	10,30,86,063	7,40,01,067
Less : Transfer to General Reserve(c)	1,60,00,000	1,00,00,000
Less : Transfer to Capital Redemption Reserve(d)	-	1,30,00,000
Balance Carried to Balance Sheet(a+b-c-d)	19,60,06,111	10,30,86,063

2. REVIEW OF OPERATIONS :

During the year under review, the Company has earned an income of Rs. 230,34,90,137/- as compared to Rs 158,61,21,219/- during the previous year and the expenditure incurred amounted to Rs.212,22,23,435/- as against Rs. 149,38,20,497/- during the previous year. The depreciation provided for the reporting year was Rs.1,56,34,498/- as compared to Rs. 1,00,19,198/- during the previous year. Hence, Net Profit after tax was amounted to Rs.10,89,20,048/- as compared to Rs. 5,20,84,995/- during the previous year. The Company has achieved these results by availing the opportunities in export of marine products to various countries and maintaining the stabilized dollar value.

Still, the efforts of Managerial Directors & Key Managerial Personnel have been continuing for effective operations and increasing the business of the company by improving the exports to various countries. The Company has identified viable parties for increasing the exports and the business of the company by adding more products for exporting to various other countries. Further, the Company has taken the necessary steps to add more new business activities of tuna fishing, processing and exporting to USA, Europe and Japan after acquiring the company as fully owned subsidiary company. Hence, the Company expects more business and profits in the years to come.

3. DIVIDEND:

The Company has not recommended any dividend in view of maintaining sound cash liquidity position for immediate requirements of the business, working capital for increasing the business of the Company and also to maintain the debt equity ratio for availing more loan/credit facilities from the banks and financial institutions from time to time.

4. CREDIT & GUARANTEE FACILITIES:

The Company has been availing Packing Credit limits and Term Loan and other facilities from Bank of India, Main Branch, Visakhapatnam.

5. AWARDS/CERTIFICATIONS:

CRISIL has assigned CRISIL BBB-/Stable Credit Rating for Bank Loan facilities for Long Term Loan and CRISIL A3+ Credit Rating for short term Loan facilities provided by the Bank.

6. DEPOSITS:

The Company has not accepted any Deposits from the public attracting the provisions of Section 58A of the Companies Act, 1956 during the financial year.

7. INSURANCE:

All the assets of the Company wherever necessary and to the extent required have been adequately insured.

8. EMPLOYEE RELATIONS:-

The relationship with the staff and workers continued to be cordial during the entire year. The Directors wish to place on record their appreciation of the valuable work done and co-operation extended by them at all levels. Further, the Company has been in touch relating to recruitment of required personnel from time to time.

9. PARTICULARS AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956:

Particulars of employees as required by the Provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not given as your Company has not paid any remuneration attracting these provisions.

10. PARTICULARS REGARDING ENERGY CONSERVATION, TECHNOLOGY ABSORPTION ETC:

Your Company continues to explore all possible avenues to reduce energy consumption.

As your Company is covered in the Schedule to the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988, read with Section 217(1)(e) of the Companies Act, 1956, the details under Form 'A' are furnished as an Annexure-I.

11. FOREIGN EXCHANGE EARNINGS AND OUTGO:

In accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information relating to foreign exchange earnings and outgo is provided as under :

Particulars	2013-2014 Rs.	2012-2013 Rs.
Foreign Exchange Earnings (FOB)	1,98,31,86,504/-	96,26,31,954/-
Expenditure incurred in Foreign Currency :		
1. Antidumping Fee	5,86,70,529/-	95,96,139/-
2. Marine Rejection Insurance	32,86,130/-	52,51,320/-
3. Export Claims	2,97,438/-	6,78,566/-
4. Commission	3,62,495/-	3,32,247/-
5. B.A.P. Audit fee	3,49,377/-	2,95,994/-
6. Travelling Expenses	8,55,979/-	1,12,168/-
7. Shrimp Council Sponsorships USA	191,729/-	Nil
8. Avalon Risk Management insurance Agency LLC	43,54,761/-	Nil
9. Imported Spares (including for Capital Goods spares worth of Rs. 23,06,880/- have been received)	1,07,80,234/-	Nil

12. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed that:

- i. in the preparation of the annual accounts for the year ended 31st March, 2014, the applicable accounting standards had been followed along with proper explanation relating to material departures ;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2014 and of the profit or loss of your Company for that period;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and;

- iv. The Directors had prepared the annual accounts for the financial year ended 31st March, 2014 on a going concern basis.

13. DIRECTORS:

(a) Pursuant to the provisions of Section 152 of the Companies Act, 2013(the Act") and the Articles of Association of the Company Smt. Jeeja Valsaraj retires by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. Notice convening the Annual General Meeting includes the proposal for his re -appointment as a Director

(b) As on the date of this report, the Company's Board consists of the following Non-Executive Independent Directors:

1. Sri Sirangu Rajaram
2. Prof.Kamireddi Venkateswara Rao
3. Sri Dilip Anant Biwalkar

The Period of office of the above mentioned Directors was liable to determination by retirement of Directors by rotation under the erstwhile Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, the aforementioned Directors are being eligible and offer themselves for appointment, are proposed to be appointed as Independent Directors for a term of 5 (Five) consecutive years commencing upto 29th September, 2019.

Brief profile of the proposed appointees together with other disclosures in terms of clause 49 of the Listing Agreement are part of the Annexure to the Notice of the 33rd Annual General Meeting.

14. Corporate Social Responsibility (CSR):

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a CSR Committee. The Company has formulated a CSR Policy for adoption.

15. CORPORATE GOVERNANCE:

Corporate Governance is given as an Annexure-II.

16. MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion & Analysis is given as an Annexure-III

17. COMPLIANCE CERTIFICATE:

The Compliance Certificate referred to in the proviso to sub-Section (1) of Section 383A of the Companies Act, 1956 was obtained and enclosed as Annexure-IV.

18. INTERNAL AUDIT:

The Internal Audit of the Company is done by CA.R.S.V.Raman, Chartered Accountant, Visakhapatnam, who is acting in independent manner and also responsible for regulatory and legal requirements relating to operational processes and internal systems. He reports directly to the Board of Directors. His name has been recommended for re-appointment as Internal Auditors of the company for the Financial Year 2014-15.

19. AUDITORS:

The present Statutory Auditors of the Company CA V.V.S. Bhagavan, Chartered Accountant, Hyderabad, (Membership No. 8571) retire at the conclusion of the ensuing Annual General Meeting and being eligible for re-appointment. But, he has given his consent for appointment of M/s.K.P.Rao Associates, Chartered Accountants, Hyderabad due to organizational convenience. The Company has received a certificate to the effect that their appointment, if made, will be within the limits under Section 141 of the Companies Act, 2013. In view of this, the Board recommends the appointment of M/s.. K.P.Rao Associates, Chartered Accountants, Hyderabad as Statutory Auditors of the Company for the next 3 (Three) years from i.e. 2014-15 to 2016-17.

20. AUDITORS' REPORT:

The Auditor's Report is self Explanatory and does not require any comments from the Board of Directors.

21. COST ACCOUNTING RECORDS:

Pursuant to the provisions of Section 233B of the Companies Act, 1956 and in terms of General Circular No. 15/2011 dated 11th April'2011 and with the prior approval of the Central

Government, M/s. A.S.Rao&Co., Practicing Cost Accountants, Visakhapatnam were appointed as Cost Auditors of the Company to conduct audit of Cost Records of Packaged Food Products for the year ended 31st March'2014, Cost Audit Reports would be submitted to the Central Government within the prescribed time.

Pursuant to Rule 5 of the Companies (Cost Audit Report) Rules, 2011 cost Audit Reports for Packaged Food Products for the year ended 31st March'2013 were filed with the Central Government.

22. STATUTORY COMPLIANCE:

The Company has complied with the concerned provisions relating to statutory compliance with regard to the affairs of the Company in all aspects.

23. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the continuous assistance and co-operation extended to your Company by the Customers, suppliers, dealers, Financial Institutions, Customs Authorities, Local Bodies, Overseas Bodies, other Corporate Bodies & Authorities and other Agencies. Your Directors also have pleasure in placing on record their appreciation for the assistance extended by the Company's Bankers viz. Bank of India, Visakhapatnam. Your Directors also wish to acknowledge the continued support and confidence reposed in the management by the shareholders. Your Directors also wish to place on record and sincerely acknowledge the services rendered by the employees at all levels. Thanks are also extended to our advisors, professionals, well-wishers and all other persons dealing with the Company.

By Order of the Board

For COASTAL CORPORATION LIMITED

Sd/-

(T. VALSARAJ)

MANAGING DIRECTOR

Sd/-

(G.V.V. SATYANARAYANA)

DIRECTOR-FINANCE

Place: Visakhapatnam

Date :30.08.2014

**ANNEXURE - I
FORM "A"**

**COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF
BOARD OF DIRECTORS) RULES, 1998.**

(A) CONSERVATION OF ENERGY

Wherever possible energy conservation measures have already been implemented and there is no major area where further energy conservation measures can be taken. However, efforts to conserve and optimize the use of energy through improved operational methods and other means have been continuing.

Utmost priority has been given in achieving reduction in per unit consumption of energy as well as finding alternate cheaper source of energy.

(A) POWER AND FUEL CONSUMPTION:	Current Year 31.03.2014 (Rs.)	Previous year 31.03.2013 (Rs.)
Electricity :		
a) Purchase		
Units	31,91,532	20,34,306
Total Amount (in Rs.)	2,70,78,126	1,23,60,099
Rate/Unit (in Rs.)	8.48	6.07
b) Own Generation :		
Through D.G. Units	2,12,873	3,18,024
Total Amount (in Rs.)	39,40,720	38,42,948
Unit/Lt. of Diesel Oil	3.03	4.8
Cost/Unit (in Rs.)	18.51	12.08

(B) TECHNOLOGY ABSORPTION :

Efforts made in technology absorption as per Form "B" of Annexure not applicable.

ANNEXURE - II

(Annexure to the Corporate Governance)

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2013-2014

(As required under Clause 49 of the Listing Agreements entered with Stock Exchanges)

A. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company has been continuing the best practices of Corporate Governance for ensuring protection of the rights and interest of its stakeholders, customers, suppliers and persons dealing with the Company and also to strengthen it's broad policies of Corporate Governance viz. Equality, fairness, transparency, integrity, openness and accountability which are the guiding principles of management of the Company along with focus on investors/customers periodically and also reviewing the Corporate Governance practices from time to time for adoption in the affairs of the company.

BOARD OF DIRECTORS:**(a) Composition and Category of Directors:**

As on 31st March, 2014, the strength of the Board of Directors is Six (6) and its composition is as follows:

(i) Promoter Directors

Sri T. Valsaraj - Promoter & Managing Director

(ii) Executive Director

Sri G.V.V.Satyanarayana - Whole-time Director designated as Director Finance

(iii) Non-Executive Director

Smt. Jeeja Valsaraj - Non-Executive Director

(iv) Non- Executive Independent Directors

Sri Sirangu Rajaram - Independent Director

Prof. Kamireddi Venkateswara Rao - Independent Director

Sri Dilip Anant Biwalkar - Independent Director

None of the Independent Non-Executive Director has any pecuniary relationship or transactions with the Company, its Promoters or its Senior Management which in the Judgment of the Board may affect the independence of the Director except receiving sitting fees for attending Board/Committee meetings from the Company.

(b) Board Meetings & Related Information:

During the year, 7 meetings of the Board of Directors were held on:

29.05.2013

31.07.2013

28.08.2013

05.10.2013

05.11.2013

23.12.2013

12.02.2014

The attendance particulars of each Director at the Board Meetings and last Annual General Meeting

Name of the Director & DIN No.	Category of Directors	No. of Board Meetings		Attendance at last AGM	No. of Directorship in other Public Companies	No. of Committee Membership in other public Companies	
		Held	Attended			Member	Chairman
Sri T. Valsaraj (DIN No. 00057558)	Promoter & Managing Director	7	7	Present	2	--	--
Sri G.V.V.Satyanarayana (DIN No. 00187006)	Whole time Director	7	7	Present	2	--	--
Smt Jeeja Valsaraj (DIN No. 01064411)	Director	7	7	Present	1	--	--
Sri S.Rajaram (DIN No. 01679004)	Independent Director	7	4	Present	--	--	--
Sri K. Venkateswara Rao (DIN No. 01678973)	Independent Director	7	5	Present	--	--	--
Sri Dilip Anant Biwalkar (DIN No. 00016677)	Independent Director	7	5	Present	2	--	--

COMMITTEES :

(i) **AUDIT COMMITTEE:**

The Audit Committee has three members; Sri S.Rajaram, Prof.Kamireddi Venkateswara Rao and Smt Jeeja Valsaraj.

Composition:

The Company has constituted an Audit Committee comprising of the following:

Sl. No	Name of the Director	Designation	Category
01.	Sri S.Rajaram	Chairman	Independent Director
02.	Prof. Kamireddi Venkateswara Rao	Member	Independent Director
03.	Smt Jeeja Valsaraj	Member	Non-Executive Director

In accordance with Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the terms of reference stipulated by the Board to the Audit Committee and corresponding Section 177 of the Companies Act, 2013:

- (a) Oversight of the Company's financial reporting process and disclosure of its financial information to ensure accuracy and correctness.
- (b) Recommending to the Board the appointment, re-appointment and removal of Statutory Auditors and Cost Auditors and fix their remuneration.
- (c) Discussion and review, with the management and auditors of the annual/quarterly financial statements before submission to the Board, with particular reference to the following :
 - (1) Any changes in accounting policies and practices;
 - (2) Major accounting entries based on exercise of judgment by management;
 - (3) Qualifications in draft audit report
 - (4) Significant adjustments arising out of audit
 - (5) The going concern assumption
 - (6) Compliance with accounting standards;
 - (7) Compliance with listing and legal requirements concerning financial statements
 - (8) All related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large; and
 - (9) Reviewing with the management, statutory and internal auditors, internal controls and the adequacy of internal control systems.
 - (10) Reviewing the quarterly and half yearly financial results.
 - (11) Reviewing the adequacy of internal audit functions, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - (12) Discussion with internal auditors, any significant findings and follow up thereon.
 - (13) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularities or a failure of internal control systems of a material nature and reporting the matter to the board.
 - (14) Reviewing the operations, new initiatives and performance of the business divisions.
 - (15) Approval of appointment of key managerial personnel i.e. Chief Financial Officer/Company secretary.
 - (16) Review and monitor the auditor's Independence and effectiveness of audit processes.
 - (17) To review the functioning of the whistle bowler/vigil mechanism. Risk coverage policy
 - (18) All such other functions as may be specified from time to time.

During the period under review, the Audit committee held Five (5) meetings on 29.05.2013, 31.07.2013, 28.08.2013, 05.11.2013 & 12.02.2014 Necessary quorum was present at all the meetings;

The details of meetings attended by the Directors are given below:

Sl. No.	Name of the Director	Designation	Category	No. of audit Committee meetings attended
01.	Sri S.Rajaram	Chairman	Independent Director	5
02.	Prof. K Venkateswara Rao	Member	Independent Director	5
03.	Smt. Jeeja Valsaraj	Member	Director	5

(ii) REMUNERATION COMMITTEE NOW CHANGED TO THE NAME OF NOMINATION AND REMUNERATION COMMITTEE :

The Committee comprises of Three Non-Executive Independent Directors as member viz. Sri S. Rajaram, Prof. Kamireddi Venkateswara Rao and Sri Dilip Anant Biwalkar.

The role of Remuneration Committee is:

- To identify persons who are qualified to become Directors or who can be appointed in the senior management.
- To recommend to the Board, the appointment/removal of Directors or senior management personnel.
- To carry out evaluation of every Director's performance.
- To formulate criteria for determining qualifications positive attributes and independence of a Director.
- To recommend to the Board, a policy relating to remuneration for Directors, Key managerial Personnel and other senior employees.

The details of meetings attended by the Directors are given below:

During the period the Remuneration Committee was held on 18th day of April'2013.

The details of members attendance at the meeting is as under:

Sl. No.	Name of the Director	Designation	Category	No. of audit Committee meetings attended
01.	Sri Sirangu Rajaram	Chairman	Independent Director	1
02.	Prof. Kamireddi Venkateswara Rao	Member	Independent Director	1
03.	Sri Dilip Anant Biwalkar	Member	Independent Director	1

Details of remuneration paid to the Directors during 2013-2014

Name of Director	Designation	Remuneration Rs.
Sri T.Valsaraj	Managing Director	1,75,000/- P.M + perquisites + Gratuity etc
Sri G.V.V.Satyanarayana	Whole-time Director	1,50,000/- P.M + perquisites + Gratuity etc

(iii) SHAREHOLDERS/INVESTORS GRIEVANCES COMMITTEE CHANGED TO STAKEHOLDER RELATIONSHIP COMMITTEE:

The Company has a Shareholders/Investors Grievance Committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of notices/ annual reports etc.

(i) The Stakeholders Relationship committee comprises of 3 (Three) Directors

- (a) Sri G.V.V. Satyanarayana as Chairman
- (b) Sri Sirangu Rajaram - Member
- (c) Prof. Kamireddi Venkateswara Rao - Member.

During the period 4 (four) the meetings of the committee held on 28.05.2013, 30.07.2013, 04.11.2013 and 11.02.2014.

The Minutes of the meetings of Shareholders/Investors Grievance Committee are reviewed and noted by the Board. The Composition of the Committee and the details of the Committee meetings attended by the Members are given below:

Sl. No.	Name of the Director	Designation	Category	No. of audit Committee meetings attended
01.	Sri G.V.V. Satyanarayana	Chairman	Executive Director	4
02	Prof. Kamireddi Venkateswara Rao	Member	Independent Director	4
02.	Sri Sirangu Rajaram	Member	Independent Director	4

The Shareholders/investors grievances Committee received and reviewed the Complaints received from the investors of the Company during the period 2013-14. All the complaints were resolved by the Company to the satisfaction of the investors as on 31st March'2014 and there were no pending letters/complaints as on 31st March'2014.

Name, Designation and Address of Compliance Officer:

Sri G.V.V. Satyanarayana
 15-1-37/3, Jayaprada Apartments, Nowroji Road,
 Maharanipecta, Visakhapatnam - 530 003
 Andhra Pradesh, India

(iv) CSR COMMITTEE:

The Company has constituted CSR Committee comprising of the following Directors:

Sl. No.	Name of the Director	Designation	Category
01.	Sri G.V.V. Satyanarayana	Chairman	Executive Director
02	Prof. Kamireddi Venkateswara Rao	Member	Independent Director
03	Smt Jeeja Valsaraj	Member	Director

CODE OF CONDUCT

The Company has laid down a code of conduct for all Board Members and Senior Management Personnel. The Code of conduct had been circulated to all the members of the Board and Senior Management.

A declaration signed by the Managing Director is as follows:

"It is hereby declared that all members of the Board and Senior Management have affirmed compliance with the Code of Conduct for the Financial Year ended 31st March, 2014." The Code has also been posted on the Company's Website. The Managing Director has given a declaration that all the Directors and concerned Executives have affirmed compliance with the Code of Conduct.

CEO/CFO Certification:

The Director on the Board has certified that the financial statements present a true and fair view of the company's affairs and are in compliance with existing accounting standards.

(v) GENERAL BODY MEETINGS:

Location and time where last Four AGMs held:

Year	Location	Date	Time	Special Resolution
2012-2013	D.No.6-42, Marikavalasa, Besides Toyota Showroom, Visakhapatnam-530 041, Andhra Pradesh, India	27.09.2013	10.30 A.M	NIL
2011-2012	D.No.6-42, Marikavalasa, Besides Toyota Showroom, Visakhapatnam-530 041, Andhra Pradesh, India	29.09.2012	10.30 A.M.	NIL
2010-2011	D.No.6-42, Marikavalasa, Besides Toyota Showroom, Visakhapatnam-530 041, Andhra Pradesh, India	30.09.2011	10.30 A.M	Passed
2009-2010	15-1-37/3, Nowroji Road, Maharani-peta, Visakhapatnam - 530 002, Andhra Pradesh, India	30.08.2010	10.30A.M	NIL

EXTRA-ORDINARY GENERAL MEETING DURING THE PERIOD(2013-14) :

One Extra-Ordinary General Meeting was held on 19th April'2013 at 11.30 A.M. at the Registered Office of the Company situated at D.No.15-1-37/3, Jayaprada Apartments, Nowroji Road, Maharani-peta, Visakhapatnam-530002, Andhra Pradesh, India

(vi) CORPORATE AFFAIRS & VISION:

- (a) Advanced Planning Techniques and strategic supervision by the Board of Directors;
- (b) Excellent co-ordination at all levels of management to achieve the tasks.
- (c) Immediate attention towards customers' requirements and public relations.
- (d) Cautious approach in operations, rendering services efficiently and effectively to the clients and
- (e) Adequate response towards socio-economic responsibilities.
- (f) Focus on protecting the safety of the clients and the employees.
- (g) To design the standards, policies, procedures and best practices in addition to the existing policies.
- (h) To grow the company and to generate long term business results and expanding market presence.
- (i) To retain the talented and dedicated employees.

(vii) OTHER DISCLOSURES:

a) Disclosure of related party transactions:

The Board is of the bona-fide belief that there are no materially significant related party transactions made by the company with Promoters, Directors or Management, their subsidiaries or relatives etc that may have potential conflict with the interests of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

b) The company has established a whistle blower policy .

c) The company has complied with all the mandatory disclosure requirements under Clause 49 of the Listing agreement and also makes efforts to make the non-mandatory disclosures to the extent they arise and are considered significant.

(viii) MEANS OF COMMUNICATION:

i) The Quarterly unaudited financial results and the annual audited financial results, intimation of Board Meetings date, Record Date, Book Closure are normally published in a leading News Papers.

ii) The Company has not issued any press release or made any presentations to the investors about its financial results during the year.

iii) A Management Discussion and Analysis (MD&A) of relevant matters forms part of the Annual Report.

ix) GENERAL SHAREHOLDERS INFORMATION:

i) Thirty Third Annual General Meeting of the Company :

Date & Time	:	30-9-2014 & 10 : 30 A.M.
Venue	:	D.No. 6-42, Besides Toyota Showroom, Marikavalasa, Visakhapatnam-530041, Andhra Pradesh, India

ii)	Financial Year	:	1st April to 31st March.
iii)	Date of Book Closure	:	21.09.2014 to 29.09.2014 (both days inclusive)
iv)	Dividend Payable Date	:	NIL
v)	Listing on Stock Exchanges	:	1.Mumbai Stock Exchange 2.Delhi Stock Exchange 3.Ahmedabad Stock Exchange 4. Hyderabad (Not in operation)
vi)	Registrars & Share Transfer Agents	:	The Board has appointed M/s Big share Services Pvt. Ltd., Mumbai as its Share Transfer Agents
vii)	High/Low Market Price	:	Rs. 24.50 / 23.00
viii)	Stock Code		BSE
	ISIN(for Dematerialization)	:	Scrip ID : coastcorp - Scrip code : 501831 INE377E01016
ix)	CIN No	:	L63040AP1981PLC003047

(x). Share Transfer System:

The Shares for transfer received in physical form are transferred expeditiously provided the documents are complete and the share transfer is not under any dispute. A summary of transfer/ transmission of securities so approved by the share transfer and transmission committee are placed at Meetings. The share certificates duly endorsed are sent to the shareholders by Registrar and Share Transfer Agents (i.e., Bigshare Services Private Limited, Hyderabad). Confirmation in respect to the requests for dematerialization of shares is sent to the respective depositories i.e., CDSL, expeditiously.

Pursuant to the Clause-47C of the Listing Agreement , Certificates on Half-yearly basis confirming due compliance of share transfer formalities were complied with. In addition, a Reconciliation of Share Capital Audit Report for reconciliation of the share capital confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with CDSL, is placed before the Board on a quarterly basis. A copy of the Audit Report is submitted to the Stock Exchanges.

Shareholding Pattern :

S. No.	Category	As at 31st March'2014	
		No. of Shares	% of Total No. of Shares
1	<u>PROMOTERS</u> Promoters Foreign Promoters	3,46,280	27.24%
2	Banks/Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Government Institutions)	28,614	2.25%
3	Body Corporates	4,47,300	35.19%
4	NRI/OCBs/FIIs	29,900	2.35%
5	Indian Public	4,19,006	32.97%
	Total	12,71,100	100.00%

(xii) Dematerialization of Equity Shares and Liquidity :

The Company's Equity Shares are listed on Mumbai, Ahmedabad, Delhi Stock Exchanges with a view to provide liquidity to the Shareholders. Now, the Company is taking necessary steps for delisting from Ahmedabad & Delhi Stock Exchanges. The Company's Equity Shares can be dematerialized now.

The MOU with CDSL for Dematerialization of Shares and appointment of M/s.Bigshare Services Private Limited as Registrar & Share Transfer Agents of the Company and for related matters have been continuing.

XIII. DECLARATION BY THE MANAGING DIRECTOR:

The Members of
Coastal Corporation Limited

In compliance with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges relating to Corporate Governance, I confirm that, on the basis of confirmations/ declarations received, all the Directors and Senior Management personnel of the Company have complied with the Code of Business Conduct and Ethics framed by the Company for the Financial Year ended 31st March'2014

Visakhapatnam
Date : 30.08.2014

Sd/-
T.Valsaraj
Managing Director

(XIV) AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE:

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, the Statutory Auditor's Certificate that the Company has complied with the conditions of Corporate Governance is given as an Annexure-IIA to the Report of the Director's & Management Discussion and Analysis. This certificate will be forwarded to the Stock Exchanges where the securities of the Company are listed, along with the Annual Report of the Company.

ANNEXURE - IIA

Auditor's Certificate

Auditor's Certificate on Compliance of Conditions of Corporate Governance as per Clause 49 of the Listing Agreement with the Stock Exchange.

To
The Members of
Coastal Corporation Limited
Visakhapatnam.

I have examined the Compliance of Conditions of Corporate Governance by Coastal Corporation Limited ("Company") for the year ended 31st March'2014 as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.

The Compliance of Conditions of Corporate Governance is the responsibility of the Management. Our Examination was limited to procedures and implementation there on adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In my opinion and the best of information and according to the explanations given to me I certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that such compliance is neither an assurance as to the future viability of the Company, nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

V.V.S.Bhagavan

Chartered Accountants

Membership No: 008571

Place: Visakhapatnam

Date : : 30.08.2014

ANNEXURE - III

(Annexure to the Directors' Report)

MANAGEMENT DISCUSSION AND ANALYSIS :

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Seafood Processing in India is entirely export oriented. According to the Ministry of Food Processing Industries there are about 1078 registered exporters in the country and the Indian seafood processing industry is well developed. These units are HACCP certified. Marine products have created a huge demand in the world market. With the high unit value, seafood has been acclaimed as one of the fastest moving commodity in the world market.

India with its 7,500 km long coast line and an exclusive economic zone of 2.02 million square KM, has enormous potential for developing the fisheries and aquaculture in coastal states.

2. OUTLOOK.

During the Financial Year 2013-2014, exports of marine products reached an all time high of Rs.30,213 crores. The increased production of vannamei shrimp and increased export of chilled items have helped to achieve higher exports. Supply condition in other countries have contributed for growth. MPEDA envisages an ambitious target of US \$ 6.0 billion for the year 2014-2015. Increased production of L. Vannamei Shrimp, quality control measures and increased infrastructure facilities for production of value added items are expected to help achieving this target.

3. OPPORTUNITIES AND THREATS

The two factories of your company are well equipped and approved by USFDA, European union and Russian authorities. Three decades in the trade, the Company's brands are well established in the International Markets and has lot of scope for exploring new markets as its ongoing process. Presently the company's products exported to USA have antidumping duty at 3.49%. In every review by USDC, change of rate in duty is proposed which may have impact on company. More supply of shrimp from Vietnam, Thailand and China will have impact on price of export of the Indian Shrimps. Presently very low production is reported in these countries.

4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has taken all precautions and adequate internal control procedures commensurate with the size and nature of business .

5. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your Directors wish to place on record that the company has achieved all time high turnover of Rs.230.34 crore and as well as profit of Rs. 16.56 Crore during the year under report. The Company expects increased turnover and profitability in the current year, in view of the commencement of production of the second unit at P.Dharmavaram, availability of abundant quantity of raw material i.e., L.Vannamei, devaluation of rupee and high price realization for the products in the international markets due to demand and supply position.

6. HUMAN RESOURCES:

The Company's units are situated strategically at the places where requisite employees are available for smooth operation and the relation with the direct and indirect employees are cordial.

ANNEXURE-IV

COMPLIANCE CERTIFICATE

CIN : L63040AP1981PLC003047

Nominal Capital: Rs.5,00,00,000/-

To,

The Members
COASTAL CORPORATION LIMITED
VISAKHAPATNAM.

We have examined the registers, records, books and papers of 'COASTAL CORPORATION LIMITED', Visakhapatnam as required to be maintained under the Companies Act, 1956, (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on 31st March, 2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its Officers and Agents, We certify that in respect of the aforesaid Financial Year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this Certificate, as per the provisions of the Act and the Rules made there under and all entries therein have been recorded.
2. The Company has filed the Forms and Returns as stated in Annexure 'B' to this Certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board, or other Authorities.
3. The restriction Clauses as provided in Section 3(i)(iii) of the Companies Act, 1956 are not applicable to the Company as it is a Public Limited Company.
- 4.(i) The Board of Directors duly met 7(seven) times respectively on 29.05.2013, 31.07.2013, 28.08.2013, 05.10.2013, 05.11.2013, 23.12.2013 and 12.02.2014.
- (ii) The Audit Committee Meetings were held on 29.05.2013, 31.07.2013, 28.08.2013, 05.11.2013 and 12.02.2014.
- (iii) The Remuneration Committee Meeting was held on 18th day of April'2013 to review and recommend the payment of Remuneration to the Managerial Personnel to the Board of Directors of the Company.
- (iv) The Share Transfer Committee Meetings were held on 28.05.2013, 30.07.2013, 4.11.2013 and 11.02.2014.

In respect of which meetings of the Board and the Committees, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

5. As per section 154 of the Companies Act'1956 and Clause 16 of the Listing Agreement, the Company has closed its Register of Members from 18th September, 2013 to 26th September, 2013 (both days inclusive) for the purpose of 32nd Annual General Meeting of the Company.
6. The Annual General Meeting for the Financial Year ended on 31st March, 2013 was held on 27th September, 2013 after giving due notice (Date of Notice: 28.08.2013) to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. One Extra-Ordinary General Meeting was held on 19th April, 2013 after giving due notice (Date of Notice: 20.03.2013) to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
8. The Company has not advanced any loans to the Directors and/or Persons or Firms or Companies referred to under Section 295 of the Companies Act'1956 during the Financial Year.
9. The Company has not contravened the provisions of Section 297 of the Act, during the Financial Year.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.
11. The Company has not contravened the provisions of Section 314 of the Act during the Financial Year.
12. The Company has issued duplicate Share Certificates during the Financial Year.
13. The Company:
 - (i) (a) has not allotted any Shares/Securities during the Financial Year and;
(b) has made transactions relating to transfer of equity shares during the Financial Year.
(c) has not made any transactions relating to transmission of shares during the Financial Year.
 - (ii) was not required to deposit any amount in a separate bank account as no dividend was declared on the Equity Share Capital of the Company.
 - (iii) was not required to post warrants to any member of the Company as no dividend was declared

during the Financial Year.

- (iv) was not required to transfer any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there were no such amounts outstanding during the Financial Year under review.
- (v) has complied with the requirements of Section 217 of the Act.
- 14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancies during the Financial Year.
- 15. The Company has not appointed any Managing/Whole-time Directors of the Company during the Financial Year.
- 16. The Company has not appointed any sole-selling agents during the Financial Year.
- 17. The Company was not required to obtain any approval from the Central Government, Company Law Board, Registrar of Companies and/or such Authorities prescribed under the various provisions of the Act during the Financial Year except to obtain the Orders from Regional Director to condone the delay for registration of charges.
- 18. The Directors have disclosed their interest in other Firms/Companies to the Board of Directors pursuant to the provisions of the Act and the Rules made there under.
- 19. The Company has not issued any shares, debentures or other securities during the Financial Year. But the Company has forfeited 28,400 Equity Shares of Rs. 10/- each on 12th February, 2014.
- 20. The Company has not bought back any shares during the Financial Year.
- 21. The Company has not redeemed any preference share capital during the Financial Year.
- 22. There were no transactions necessitating the Company to keep in abeyance the rights to Dividend, Rights Shares and Bonus Shares pending registration of transfer of Shares.
- 23. The Company has not invited / accepted any deposits from the public falling within the purview of Section 58A of the Act during the Financial Year.
- 24. The borrowings made during the Financial Year are within the limits of the provisions of Section 293(1)(d) of the Companies Act, 1956.
- 25. The Company has not made any Loans and advances or given guarantees or provided

securities to other Bodies Corporate and consequently no entries have been made in the register kept for this purpose during the Financial Year.

26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's Registered Office from one State to another State during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association with respect to Name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the Financial Year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the Financial Year, for offences under the Act.
32. The Company has not received any money as security from its employees during the Financial Year.
33. The Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities except Rs.2,13,882/- which was outstanding as on 31st March, 2014.

For **ASN ASSOCIATES**

Company Secretaries

Name of the

Sd/-

Company Secretary: Satyanarayana A.

Place: Visakhapatnam

C.P.No. : 2354

Date : 18.08.2014

ANNEXURE 'A'

Name of the Company : COASTAL CORPORATION LIMITED
Corporate Identity No : L63040AP1981PLC003047

Registers as maintained by the Company:

A. STATUTORY REGISTERS:

S. NO.	NAME OF THE REGISTER/RECORDS	UNDER SECTION
01.	Register of Investments	49
02.	Register of Share Transfers	108
03.	Register of Members	150
04.	Register of Charges	143
05.	Minutes of Board Meetings	193
06.	Minutes of General Meetings	193
07.	Books of Account	209
08.	Register of Contracts with Companies/ Firms in which Directors are interested	301
09.	Register of Directors, Managing Director, Manager etc.	303
10.	Register of Director's Shareholdings	307

B. OTHER REGISTERS:

S.NO.	NAME OF THE REGISTER/BOOK
-------	---------------------------

- | | |
|-----|--|
| 01. | Register of Share Applications and Allotment of Shares |
| 02. | Directors' Attendance Register |
| 03. | Shareholders' Attendance Register |
| 04. | Register of Fixed Assets |
| 05. | Copies of Annual Returns prepared under Section 159 |
| 06. | Register of Common Seal |
| 07. | Register of Duplicate Share Certificates |
| 08. | Register of Proxies |

C. THE COMPANY HAS BEEN ADVISED TO MAINTAIN THE FOLLOWING REGISTERS FOR ENTRIES/TRANSACTIONS TO BE RECORDED AS AND WHEN REQUIRED :

- | | |
|-----|--|
| 01. | Register of Securities bought back |
| 02. | Register of Destruction of records/documents |
| 03. | Register of Debenture holders |

ANNEXURE 'B'

Name of the Company : COASTAL CORPORATION LIMITED
Corporate Identity No : L63040AP1981PLC003047

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government and/or Other Authorities during the Financial Year ending on 31st March, 2014:

REGISTRAR OF COMPANIES

Sl. No	Form No./ Return	Filed Under Section	For/ Description / Purpose	Date of filing/SRN	Whether filed within prescribed time Yes/ No	If delay in filing whether requisite additional fee paid Yes/No
1.	Form 23	192	Increase in Remuneration of Directors.	B74035767 01/05/2013	Yes	No
2.	Form 23	192	Increase in Remuneration of Directors at Extra-Ordinary General Meeting.	B74038654 01/05/2013	Yes	No
3.	Form 8	125	Creation of Charges in favour of Bank of India on 7/11/2012 with condonation of Delay by 153 days.	B74591108 09/05/2013	No	Yes
4.	Form 24AAA		Filing petition to Central Government (Regional Director) in connection with delay in filing of Creation of charges (Form No. 8) with 153 days.	B76922830 12/06/2013	Yes	No
5.	Form 61	141	Form for filing an application with Registrar of Companies in connection with delay in filing of creation of charges (Form-8) with 153 days delay	B76922186 12/06/2013	Yes	No
6.	Form-23C	233B(2)	Appointment of Cost Auditors for the period of 2013-14.	S21373089 26/10/2013	Yes	No

COASTAL CORPORATION LIMITED

Sl. No	Form No./ Return	Filed Under Section	For/ Description / Purpose	Date of filing/SRN	Whether filed within prescribed time Yes/ No	If delay in filing whether requisite additional fee paid Yes/No
7.	Form-8 Challan Amount		Amount paid against the condonation of delay in Filing of Form-8 with 153 days .	B79573242 17/07/2013	Yes	No
8.	Form 21	141(2)	Notice of the Court or the Company Law Board Order or any other competent authority (Delay in filing of Form-8 with 153 days.	B79716221 19/07/2013	Yes	No
9.	Form No. 8	125	Creation of Charges in favour of Bank of Baroda Performance security Bank Guarantee with With condonation of delay with 83 days.	B80738974 01/08/2013	No	Yes
10.	Form 23D	233B	Information by cost Auditor to Central Government relating to appointment of Cost Auditors for the period 2012-2013.	S22029912 30/08/2013	Yes	No.
11.	Form 23D	233B	Information by Cost Auditor to the Central Government relating to appointment of Cost Auditors for the period of ended 31.03.2014.	S22031462 30/08/2013	Yes	No
12.	Form 23D	233B	Information by Cost Auditors to the Central Government for the period 31.03.2014.	S22032197 30/08/2013	Yes	No
13.	Form-24 AAA	141	Filing petition to Central Government (Regional Director) in connection with delay in filing of Creation of charges (Form No. 8) with 83 days delay.	B85622090 29/09/2013	Yes	NO

COASTAL CORPORATION LIMITED

Sl. No	Form No./ Return	Filed Under Section	For/ Description / Purpose	Date of filing/SRN	Whether filed within prescribed time Yes/ No	If delay in filing whether requisite additional fee paid Yes/No
14.	Form-61		Form for filing an application with Registrar of Companies in connection with delay in filing of creation of charges (Form-8) with 83 days delay.	B85621779 29/09/2013	Yes	No
15.	Form 1XBRL 209(1)(d)		Filing of Compliance Certificate for Cost Audit for the period 2012-13.	S22668081 30/09/2013	Yes	No
16.	Form 66	383A	Filing of Compliance Certificate for the Year 2012-13.	Q13764444 15/10/2013	Yes	No
17.	Form-8	125	Filing of Form-8 in connection with Creation of Charges.	B87025847 17.10.2013	Yes	No
18.	Form 8	125	Creation of Charges in favour of Kotak Mahindra Bank Ltd.	B87118816 18/10/2013	Yes	No
19.	Form No. 23B	224(1A)	Return of Re-Appointment of Statutory Auditors for the year 2013-14.	S25134719 26/10/2013	Yes	No
20.	Form 23ACXBRL and Form 23ACAXBRL	220	Filing of Profit & Loss Account and Balance Sheet for the Year 2012-13.	Q18264069 27/10/2013	Yes	No
21.	Form 20B	159	Filing of Annual Return for the year 2013.	Q25204389 26/11/2013	Yes	No
22.	Form-8 Penalty		Penalty paid against the condonation of delay in Filing of Form-8 with 83 days.	B92374925	Yes	No
23.	FormNo.21		Notice of the court or the company law board order or any other competent authority (Delay in filing of Form-8 with 83 days.	B92409481 26/12/2013	Yes	No

COMPANY LAW BOARD
NIL
REGIONAL DIRECTOR

- (i) Petitions were filed with Regional Director (South Eastern Region), Hyderabad and obtained orders towards condonation of delay in Filing of Form-8 and Registration of Charges.

CENTRAL GOVERNMENT
NIL
OTHER AUTHORITIES

The Company has submitted information to the Stock Exchanges from time to time.

For ASN ASSOCIATES

Company Secretaries

Name of the Sd/-

Company Secretary: (SATYANARAYANAA.)

C.P. No. : 2354

Place: Visakhapatnam

Date : 18.08.2014

V.V.S Bhagavan, B.Com., FCA
Chartered Accountant

7-1-59/4&8, Ameerpet
Hyderabad - 500 016
(O) 23748583
(R) 23391096

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
M/S. COASTAL CORPORATION LIMITED**

Report on the Financial Statements

I have audited the accompanying financial statements of M/S. Coastal Corporation Limited (The Company), which comprise the Balance sheet at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 ("The Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility:

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion:

In my opinion and to the best of my information and according to the explanations given to me , the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) In the case of the Statement of Profit & Loss, of the profit of the company for the year ended on that date; and
- (c) In case of the Cash flow statement, of the cash flows of the company for the year ended on that date.

Report on other legal and regulatory requirements:

- 1. As required by the Companies (Auditor's Report) order, 2003 ("The Order") issued by the Central Government in terms of Section 227 (4A) of the Act, I give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
- 2. As required by Section 227 (3) of the Act, I report that:
 - a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
 - b) In my opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from my examination of those books.
 - c) The Balance Sheet, the Statement of Profit & Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In my opinion, the Balance Sheet, the statement of Profit and Loss and the Cash flow Statement comply with the Accounting Standards referred to in Section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of the written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of Clause (g) of sub-section 274 (1) (g) of the Companies Act 1956.

Sd/-
(V.V.S.BHAGAVAN)
CHARTERED ACCOUNTANT
M NO. 8571

Place : Visakhapatnam
Date : 28.05.2014

Annexure to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on other Legal and Regulatory requirements' section of my report of even date)

On the basis of such checks as I considered appropriate and according to the information and explanation given to me during the course of my audit, I report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) As explained to me, fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
 - (c) In my opinion and according to the information and explanations given to me, there are no sales of substantial part of fixed assets during the year and therefore does not affect the going concern assumption.
2. (a) As explained to me, inventories have been physically verified during the year by the management at reasonable intervals.
 - (b) In my opinion and according to the information and explanations given to me, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) In my opinion and on the basis of my examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to me and on the basis of my examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 except for advances to the tune of Rs.66.50 lakhs to two of the companies in which two of the directors are interested. The advances are purely temporary and have been paid back.
 - (e) According to the information and explanations given to me and on the basis of my examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and accordingly sub clauses (f) & (g) are not applicable to the company.
4. In my opinion and according to the information and explanations given to me, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of my audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by me and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

- b) As per the information and explanation given to me and in my opinion the transactions entered into by the company with parties covered under section 301 of the Act does not exceeds five lakhs rupees in financial year and therefore requirement of reasonableness of transactions does not arise.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been maintained. However we have not made any detailed examination of the cost records with regard to their accuracy.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Excise Duty, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to me, there are no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by my audit and in the immediately preceding financial year.
11. Based on my audit procedures and on the information and explanations given by the management, I am of the opinion that, the Company has not defaulted in repayment of dues to any financial institution or bank.
12. According to the information and explanations given to me, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to me, the Company is not trading in Shares, Mutual funds & other Investments.
15. According to the information and explanations given to me, the Company has not given any guarantees for loans taken by others from a bank or financial institution.
16. The Company has taken term loan during the Financial Year and the Term Loan has been applied for the purpose for which it was obtained.
17. Based on the information and explanations given to me and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, I report that no funds raised on short-term basis have been used for long-term investment by the Company.

18. Based on the audit procedures performed and the information and explanations given to me by the management, I report that the Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures .
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to me, I report that no fraud on or by the Company has been noticed or reported during the year, nor have I been informed of such case by the management.

Place: Visakhapatnam.

Date : 28.05.2014

Sd/-
(V.V.S. BHAGAVAN)
CHARTERED ACCOUNTANT
M No. 8571

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2014

	Particulars	Notes	For the year ended 31.03.14 (Rs.)	For the year ended 31.03.13 (Rs.)
	Continuing operations			
	Income			
I	Revenue from operations	16	2,060,604,498	1,431,460,283
II	Other Operating Income	17	239,764,944	153,798,383
III	Other income	18	3,120,695	862,553
IV	Total Revenue (I+II+III)		2,303,490,137	1,586,121,219
V	Expenses			
	Cost of materials consumed	19	1,769,642,426	1,139,712,783
	Processing & Shipment expenses	20	315,519,552	192,016,857
	Manufacturing expenses	20A	4,690,672	107,070,120
	Changes in inventories of finished goods, work-in-progress and Stock in Trade	21	(185,623,070)	(8,085,540)
	Employee benefits expense	22	44,050,396	20,887,645
	Finance costs	23	52,569,467	32,094,875
	Depreciation	10	15,634,498	10,019,198
	Other expenses	24	121,373,992	10,043,831
	Loss on sale of Assets		-	79,926
	Total Expenses		2,137,857,933	1,503,839,695
VI	Prior Year's Expenses		21,926	5,890
VII	Profit before exceptional and extraordinary items and tax (IV-V-VI)		165,610,278	82,275,635
VIII	Profit before extraordinary items and tax		165,610,278	82,275,635
IX	Profit before tax		165,610,278	82,275,635
X	Tax expenses			
	Current tax		50,514,575	24,428,356
	Deferred tax		6,175,656	3,028,177
	Dividend on Preference shares		-	2,734,106
XI	Total tax expense		56,690,231	30,190,639
XII	Profit for the year from continuing operations		108,920,047	52,084,996
XIII	Profit/(loss) for the year		108,920,047	52,084,996
	Significant Accounting Policies and other notes	1To37		
	Earnings per equity share:			
	Basic and Diluted		85.69	40.08

In terms of my report of even date attached

Sd/-
V.V.S BHAGAVAN
Chartered Accountant
M.No.008571
Date : 28-5-2014
Place: Visakhapatnam

For and on behalf of the Board

Sd/-
T.Valsaraj
Managing Director

Sd/-
G.V.V.Satyanarayana
Director Finance

BALANCESHEET AS AT 31.03.2014

	Particulars	Note No.	As at 31.03.14 (Rs)	As at 31.03.13 (Rs)
	Equity and liabilities			
1	Shareholders' funds			
	Share capital	2	12,853,072	12,767,142
	Reserves and surplus	3	250,397,803	141,477,755
			263,250,875	154,244,897
2	Non-current liabilities			
	Long-term borrowings	4	40,489,857	46,142,851
	Deferred tax liabilities		10,421,499	4,245,843
	Other Long Term Liabilities	5	28,083,628	929,853
			78,994,984	51,318,547
3	Current liabilities			
	Short-term borrowings	6	449,976,323	239,702,751
	Trade payables	7	110,226,960	96,445,716
	Other current liabilities	8	29,038,277	34,692,449
	Short-term provisions	9	67,222,511	8,829,377
			-	
			656,464,071	379,670,293
	TOTAL		998,709,930	585,233,737
	Assets			
1	Non-current assets			
	Fixed assets			
	Tangible assets	10	323,715,575	281,992,629
	Intangible assets	10	51,368	75,799
	Capital work-in-progress	10	-	-
	Long-term loans and advances	11	10,954,148	5,513,562
	Other non-current assets	12	39,629,629	6,532,380
			374,350,720	294,114,370
2	Current assets			
	Inventories	13	303,239,791	110,430,237
	Trade receivables	14	156,079,599	83,795,209
	Cash and Cash equivalents	15	26,169,770	19,797,197
	Short-term loans and advances	11	138,870,050	77,096,724
			624,359,210	291,119,367
	Significant Accounting Policy and Notes 1 To 37	TOTAL	998,709,930	585,233,737

In terms of my report of even date attached

Sd/-

V.V.S BHAGAVAN
Chartered Accountant
M.No.008571
Date : 28-5-2014
Place: Visakhapatnam

For and on behalf of the Board

Sd/-

T.Valsaraj
Managing Director

Sd/-

G.V.V.Satyanarayana
Director Finance

Cash Flow Statement for the Year Ended 31.03.2014

PARTICULARS	"Year Ended "31.03.2014" (Rs.)	"Year Ended "31.03.2013" (Rs.)
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax & Extraordinary Item	16,56,32,204	82,281,524
Adjustment for:		
Depreciation	1,56,34,498	10,019,198
Interest and Finance Charges	5,25,69,467	32,094,875
Loss on Sale of Asset	-	79,926
Other Income	(31,20,695)	(862,553)
Operating Profit Before Changes in Working Capital	23,07,15,474	123,612,970
Adjustments for changes in Working Capital		
(Increase)/Decrease in Inventories	(19,28,09,554)	(7,521,821)
(Increase)/Decrease in Trade Receivables	(7,22,84,390)	(69,463,790)
(Increase)/Decrease in Short Term Loans and Advances	(1,61,70,426)	(34,598,138)
(Increase)/Decrease in Long Term Loans and Advances	(54,40,586)	8,598,375
(Increase)/Decrease in Other Current Assets	(3,30,97,249)	7,981,364
Increase/(Decrease) in Trade Payables	1,37,81,244	79,559,515
Increase/(Decrease) in Other Current Liabilities	(56,54,172)	6,813,747
Increase/(Decrease) in Short Term Provisions	1,19,32,099	3,234,303
Cash Generated from Operations	(6,90,27,560)	118,216,525
Income Tax Paid	(4,96,56,440)	(21,429,888)
Cash Flow before Prior Period Items	(11,86,84,000)	96,786,637
Prior Year Income/(Expenditure)	(21,926)	(5,890)
Net Cash Flow from Operating Activity	(11,87,05,926)	96,780,747

Cash Flow Statement for the Year Ended 31.03.2014

PARTICULARS	"Year Ended "31.03.2014" (Rs.)	"Year Ended "31.03.2013" (Rs.)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Other Income Received	31,20,695	862,553
Purchase of Fixed Assets	(5,76,16,993)	(10,36,67,092)
(Increase)/Decrease in Capital Work in Progress		-
Sale of Fixed Assets	2,83,980	60,000
Net Cash Flow from Investing Activities	(5,42,12,318)	(102,744,539)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend Paid (Including Dividend Tax)		(2,734,106)
Proceeds from Long Term Borrowings	(56,52,994)	(28,143,321)
Realization of Calls in arrears	85,930	
Redemption of Preference Shares	-	(13,000,000)
Increase/(Decrease) in Other Long Term Liabilities	2,71,53,775	(567,451)
Interest Paid	(5,25,69,467)	(32,094,875)
Increase/(Decrease) in Packing Credit Utilization	21,02,73,573	89,804,075
Net Cash Flow from Financing Activities	17,92,90,817	13,264,322
D NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:	63,72,573	7,300,530
Cash and Cash Equivalents as at the commencement of the year	1,97,97,197	12,496,667
Cash and Cash Equivalents as at the close of the year	2,61,69,770	19,797,197

NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS**Note No: 1 SIGNIFICANT ACCOUNTING POLICIES**

- a) The accounts have been prepared under historical cost convention in accordance with Generally accepted Accounting Principles in India and the Provisions of the Companies Act, 1956.

The Company follows Mercantile System of Accounting and recognises income and expenditure on accrual basis except in case of the following :

- a) Insurance Claims
- b) Capital Subsidies
- c) Sea freight subsidy

b) Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimated

c) Fixed Assets

Tangible Assets

Tangible Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing of the asset to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets including day to day repairs and maintenance expenditure and cost of replacing parts are charged to the statement of Profit and Loss for the period during which such expenses are incurred.

Cost of fixed assets includes installation charges and any subsidies received are reduced from the cost.

d) Expenditure during construction period:

Expenditure during construction period is grouped under "Capital work in progress." Upon commencement of use of the asset, the expenditure is allocated to respective assets in the ratio of their direct cost.

e) Depreciation

- i) Depreciation on Fixed Assets is provided in accordance with Schedule XIV of the Companies Act., 1956 on Straight Line Method.
- ii) Fish crates are depreciated on re-valuation basis.

f) Inventories

Inventories are valued as under :

- | | | |
|-----------------------------|---|--------------------------|
| a) Finished Goods | : | At net realisable value. |
| b) Stock-in-process | : | At cost. |
| c) Rawmaterial | : | At cost. |
| d) Stores/Tools/Fish Crates | : | At cost. |

g) Income Recognition:

Income is recongnised on completion of shipment formalities in case of export sales and in other cases upon delivery of goods

h) Foreign Currency Translation

Export sales in foreign currency are accounted at the exchange rate prevailing at the time of negotiation of the Bill. Gain/Loss arising out of fluctuations by exchange rates where not determined are accounted for on subsequent realisation / payment.

i) Borrowing Costs:

Borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs incurred on acquiring and construction of assets are capitalised as part of the cost of such assets.

j) Retirement Benefits :

Gratuity is administred through group gratuity policy with Life Insurance Corporation of India. Premium accrued and payable under the above policy is charged to revenue. Leave encashment is treated on cash basis as per the Company's policy.

k) Taxation :

Provision is made for income tax liability estimated to arise on the results for the year at the current rate of tax in accordance with the Incometax Act, 1961. M.A.T Credit entitlement is recognised as per the rates of income Tax prevailing.

In accordance with the Accounting Standard - 22 - Accounting for taxes on income, issued by the Institute of Chartered Accountants of India, the Company has recognized the deferred tax liability in the Accounts.

Deferred tax Assets arising on account of brought forward losses and unabsorbed depreciation are recognised only to the extent that there is a reasonable certainty that such deferred tax assets can be realised.

Note No. 2 :Share capital

	As at 31.03.2014 (Rs)	As at 31.03.2013 (Rs)
Authorised :		
Equity Shares 30,00,000 equity shares of Rs. 10/- each (Previous year 30,00,000 equity shares of Rs.10/- each)	30,000,000	30,000,000
Preference Shares 20,00,000 6.5% Redeemable pref. shares of Rs. 10/- each (Previous year 20,00,000 Redeemable pref.shares of Rs.10/- each)	20,000,000	20,000,000
	50,000,000	50,000,000
Issued, subscribed and fully paid-up shares		
Equity Shares 12,71,100 equity shares of Rs. 10/- each fully paid (of the above 3,47,725 equity shares of Rs.10/- each allotted for consideration other than cash at a premium of Rs.10/- and 1,21,775 equity shares of Rs.10/- each allotted in cash at a premium of Rs.10/-) excluding 28400 equity shares forfeited during the year on which Rs.5 per equity share received. (Previous year 1299500 equity shares of Rs.10/- fully paid (of the above 3,47,725 equity shares of Rs.10/- each allotted for consideration other than cash at a premium of Rs.10/- and 1,21,775 equity shares of Rs.10/- each allotted in cash at a premium of Rs.10/-)	12,711,000	12,995,000
Less: Calls in Arrears		227,858
	12,711,000	12,767,142
Forfeited shares (28400 equity shares of Rs.10 each on which Rs.5 per share was paid).	142,072	-
	-	-
Total Paid up Equity share capital	12,853,072	12,767,142

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

	31-Mar-14		31-Mar-13	
	Numbers	Amount in Rs.	Numbers	Amount in Rs.
Shares outstanding at the beginning of the year	1,299,500	12,767,142	1,299,500	12,767,142
Add : Realisation of calls in arrears	28,400	85,930	-	-
Shares outstanding at the end of the year (including 28400 equity shares forfeited.)	1,271,100	12,853,072	1,299,500	12,767,142
Preference Shares				
Shares outstanding at the beginning of the year	-	-	1,300,000	13,000,000
Shares outstanding at the end of the year	-	-	-	-

(b) Terms and Rights attached to shares

Equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares are eligible to receive share in the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

Preference shares

The company had only one class of Preference shares of 6.5% Redeemable Preference shares having par value of Rs.10/- per share. Preference Share holders are not entitled to vote. Preference shares carry a preferential right for repayment in priority to the equity shares to the company but shall not carry any further or other right to participate either in the profits or assets of the company. Pursuant to the board resolution dated the company has redeemed the entire Preference share capital during the previous year out of the profits

(c) Details of shares held by shareholders holding more than 5% shares in the company

Name of the shareholder	No.of Shares	% holding in the class	No.of Shares	% holding in the class
Equity shares of Rs.10 each fully paid				
Eastward Exim & Shipping Pvt.Ltd	161,500	12.70	161,500	12.43
Deepsea Fisheries Management Ltd	161,225	12.68	161,225	12.41
Top Fortune Marine International Ltd	121,775	9.58	121,775	9.37
Haribabu Kambhampati	97,700	7.68	97,700	7.52
TVR Estates & Resorts Pvt Ltd	84,911	6.68	84,911	6.53
	627,111	49.32	627,111	48.26

Note No.3:Reserves and surplus

Particulars	As at 31.03.14 (Rs)	As at 31.03.13 (Rs)
a) Security premium account		
Opening Balance	4,695,000	4,695,000
Closing Balance	4,695,000	4,695,000
b) General reserve		
Opening Balance	20,696,692	10,696,692
Add: Transfer from Statement of Profit & Loss	16,000,000	10,000,000
Closing Balance	36,696,692	20,696,692
c) Capital Redemption reserve		
Opening Balance	13,000,000	
Add: Transfer from Statement of Profit & Loss	-	13,000,000
Closing Balance	13,000,000	13,000,000
d) Surplus in the Statement of Profit and Loss		
Opening balance	103,086,063	74,001,067
Add: Profit for the current year	108,920,048	52,084,996
	212,006,111	126,086,063
Less: Transfer to Capital Redemption Reserve		13,000,000
Less: Transfer to General Reserve	16,000,000	10,000,000
Net surplus in the statement of profit and loss	196,006,111	103,086,063
Total reserves and surplus (a+b+c)	250,397,803	141,477,755

Note No. 4 : Long Term Borrowings

	Non-current liability		Current liability	
	As at 31.03.2014 (Rs)	As at 31.03.2013 (Rs)	As at 31.03.2014 (Rs)	As at 31.03.2013 (Rs)
Term loans from Banks (Secured)				
a) Term Loan from Bank of India (Ref.note 5a)	39,870,564	41,421,838	10,712,000	10,712,000
Other loans from Bank (secured)				
b) Secured loan from Bank of India - Car-Liva (Ref.note 5b)	271,323	353,417	133,728	133,728
c) Secured loan from Bank of India - car- innova (Ref note 5c)	68,109	488,995	523,776	523,776
d) Secured loan from Bank of India - Car- Indigo (Ref.note 5d)	-	23,912	42,237	218,436
e) Secured loan from Tata Motors Finance Ltd - Trucks (Ref. Note 5e)		3,139,303	4,054,326	7,551,600
f) Secured loan from Bank of India - Car- Shift				
g) Secured loan from HDFC Bank Ltd - Car- Nissan (Ref.note 5g)	-	-	-	157,980
h) Secured loan from Bank of India - Car - Rapid (Ref.Note 5 h)	179,894	459,888	353,328	353,328
i) Secured loan from Bank of India - Car - Figo (Ref.Note 5 i)	99,967	255,498	196,296	196,296
j) Secured loan from Kotak Mahendra Bank - Generator (Ref Note. 5 j)	-		-	5,135,000
Note: 5a. Term Loan from Bank of India Term Loan from Bank of India secured on hypothecation of stocks and other immovable & movable assets, export letters of credit from prime banks, equitable mortgage of land , buildings , plant & Machinery belonging to the company and also on collateral security of lands and buildings of 2 Directors and also gurarnted by the directors and their associates				

Note No. 4 : Long Term Borrowings contd.,

	Non-current liability		Current liability	
	As at 31.03.2014 (Rs)	As at 31.03.2013 (Rs)	As at 31.03.2014 (Rs)	As at 31.03.2013 (Rs)
<p>Note: 5b. Car Loan secured on hypothecation of car repayable in 60 installements - No defaults in repayments</p> <p>Note: 5c,5d,5h and 5i. Car Loans secured on hypothecation of cars repayable in 36 installements - No defaults in repayments</p> <p>Note: 5e. Trucks Loan secured on hypothecation of trucks repayable in 36 installements - No defaults in repayments</p> <p>Note: 5g. Car Loans secured on hypothecation of cars repayable in 36 installements - No defaults in repayments</p> <p>Note: 5j. Generators Loan secured on hypothecation of Generators repayable in 12 installements - No defaults in repayments</p> <p>A sum of Rs. 2,49,82,144/- was disclosed under Other current liabilities(ref.note.8)</p>				
Net amount	40,489,857	46,142,851	16,015,691	24,982,144

Note No.5 :Other Long-Term Liabilities

	Non-current liability		Current liability	
	As at 31.03.2014 (Rs)	As at 31.03.2013 (Rs)	As at 31.03.2014 (Rs)	As at 31.03.2013 (Rs)
Trade payables	27,848,669	392,810	-	-
Others	234,959	537,043	-	-
Total	28,083,628	929,853	-	-

Particulars			Current liability	
	As at 31.03.2014 (Rs)	As at 31.03.2013 (Rs)	As at 31.03.2014 (Rs)	As at 31.03.2013 (Rs)
Note No. 6 : Short - Term Borrowings				
Packing credit from Bank of India (secured)			449,976,323	239,702,751
Packing Credit from Bank of India secured on hypothecation of stocks and other immovable & movable assets, export letters of credit from prime banks, equitable mortgage of land , buildings , plant & Machinery belonging to the company and also on collateral security of lands and buildings of 2 Directors and also guranted by the directors and their associates				
Total		-	449,976,323	239,702,751
Note No. 7: Trade Payables				
Trade payables		-	110,226,960	96,445,716
		-	110,226,960	96,445,716
Note No.8: Other Current Liabilities				
Current liabilities / Maturities of long-term borrowings		-	16,015,691	24,982,144
Other liabilities - Captial works		-	3,018,341	2,440,614
Others payables		-	5,604,348	255,440
Statutory payables		-	3,761,672	6,478,720
Creditors for Expenses		-	638,225	535,531
Total		-	29,038,277	34,692,449
Note No.9 :Short Term Provisions				
Other short term provisions				
Provision for Tax		-	50,500,000	3,595,425
Provision for Expenses		-	16,354,891	4,422,792
Provision for Doubtble Adv		-	367,620	367,620
Provision for coporate dividend tax		-	-	443,540
Total		-	67,222,511	8,829,377

Wide

Note No. 11 :Long Term Loans and Advances

Particulars	Non- Current		Current	
	As at 31.03.14 (Rs)	As at 31.03.13 (Rs)	As at 31.03.14 (Rs)	As at 31.03.13 (Rs)
Advances against Capital Works				
Unsecured, considered good			8742216	4,485,435
			8,742,216	4,485,435
Security deposits				
Unsecured, considered good	8223309	2,971,268		
	8,223,309	2,971,268		
Loan and advances to related parties				
(Unsecured, considered good)		-		
Advances recoverable in cash or kind				
(Unsecured, considered good)	2,730,839	2,542,294	58,288,166	33,472,060
Export Benefits Receivables			70,008,287	37,620,415
			-	
	2,730,839	2,542,294	128,296,453	71,092,475
Other loans and advances				
Prepaid expenses			1083679	993,749
Advances to employees	-		747702	525,065
	-	-	1,831,381	1,518,814
Grand Total	10,954,148	5,513,562	138,870,050	77,096,724

Note : A sum of Rs.13,8870,050/- was shown under current loans and advances

Note no. 12: Other Non Current Assets

Particulars	Non-current		Current	
	As at 31.03.14 (Rs)	As at 31.03.13 (Rs)	As at 31.03.14 (Rs)	As at 31.03.13 (Rs)
Fixed Deposits with Banks	39,629,629	6,532,380		
Note No.13: Inventories Inventories (valued at lower of cost and net realizable value)				
Finished goods (refer note 21)			291,762,866	106,139,796
Stores and spares			11,476,925	4,290,441
Loose tools		-	303,239,791	110,430,237
Note No.14: Trade receivables and other assets				
Trade receivables				
Outstanding for a period exceeding six months from the date they are due for payment, unsecured considered good				
Sale of Goods			156,079,599	83,795,209
			156,079,599	83,795,209
Due for more than 6 months Rs.				
Others, considred good Rs.				
Note No.15: Cash and Cash Equivalents Cash and cash equivalents				
Balances with banks:				
– On current accounts			25,189,850	19,307,147
Cash on hand			979,920	490,050
			26,169,770	19,797,197
Other bank balances				
– Deposits with original maturity for more than 12 months	39,629,629	6,532,380		
	39,629,629	6,532,380		
Amount disclosed under Other non-current assets (note 12)	39,629,629	6,532,380		

Particulars	For the Year ended 31.03.14	For the Year ended 31.03.13
Note No.16 Revenue from Operations		
Revenue from operations		
Sale of products (Shrimp):		
Finished goods	2,026,377,432	1,431,460,283
Sale of services - Processing Charges		
Total	2,026,377,432	1,431,460,283
Detail of products sold		
Sale of Finished goods		
Shrimp	2,026,377,432	986,557,275
Plastic Granules	34,227,066	444,903,008
Total	2,060,604,498	1,431,460,283
Note No.17 Other Operating Income		
Export Benefits	138,531,112	153,798,383
Toll Collection	101,233,832	
153,798,383	239,764,944	153,798,383
Note No. 18 Other income		
Interest on Bank deposits	1,755,137	442,469
Interest from Others	450,101	31,032
Income from Tollplaza	-	59,000
Other income	915,457	330,052
Total	3,120,695	862,553

Particulars	For the Year ended 31.03.14	For the Year ended 31.03.13
Note No. 19 : Cost of Material consumed		
Inventory at the beginning of the year		
Add: Purchases	1,769,642,426	1,139,712,783
	1,769,642,426	1,139,712,783
Less: inventory at the end of the year		-
Cost of raw material and components consumed	1,769,642,426	1,139,712,783
Note No. 20 : Processing & Shipment Expenses		
Procurement Expenses	2,776,606	2,873,536
Cold Storage Charges	839,258	6,835,450
Peeling wages	7,331,727	6,975,645
Plant Electricity Charges	27,554,125	13,246,350
processing wages	29,743,974	18,466,880
Plant Maintenance	27,377,006	23,752,406
Plant Other Expenses	8,165,192	5,341,212
Agricultural Market Cess	4,863,391	3,021,444
Antidumping Fee	58,670,529	9,525,963
Chemicals	16,552,759	7,531,068
Commission	6,564,098	6,174,784
ECGC Fees	2,205,524	1,244,213
Frieght Charges	43,190,928	27,646,176
Ice Purchases	7,659,080	5,916,860
Monitoring Fee	2,294,245	1,685,100
Packing & Stocking	36,675,795	28,613,781
Shipment Expenses	5,088,580	2,697,352
Stock Insurance	3,743,524	5,420,021
Testing charges	3,577,829	3,021,014
Truck Rep & Maintenance	12,293,097	7,487,176
Transporatation Expenses	8,352,285	4,540,426
Total	315,519,552	192,016,857

Particulars	For the Year ended 31.03.14 (RS)	For the Year ended 31.03.13 (Rs)
Note No. 20 A: Poly Pack Division Expenses		
Antidumping Fee		70,176
Basi Custom Duty		22,070,193
Carriage Inward	49,300	5,183,540
Clearing charges	22,808	6,978,886
Halting charges	-	42,960
Job/ Processing charges	4,607,565	71,343,539
Sales Tax Expenses	-	105,656
Service Charges	10,999	1,271,981
Telephone charges	-	664
V.A.T Registraion charges	-	2,525
	-	
Total	4,690,672	107,070,120

Particulars	For the Year ended 31.03.14 (Rs)	For the Year ended 31.03.13 (Rs)
Note No. 21 : (Increase)/ decrease in inventories		
Inventories at the end of the year		
Finished goods	291,762,866	106,139,796
	291,762,866	106,139,796
Inventories at the beginning of the year		
Finished goods	106,139,796	98,054,256
	106,139,796	98,054,256
Total	(185,623,070)	(8,085,540)
Note No. 22 : Employee benefits expense		
Salaries, wages and bonus	35,555,360	16,298,475
Directors Remuneration	3,900,000	2,400,000
Contribution to provident and other funds	1,422,812	416,628
Gratuity expense	321,702	541,171
Staff welfare expenses	2,850,522	1,231,371
		-
Total	44,050,396	20,887,645
Note No. 23 : Finance costs		
Interest to Bank	51,031,800	30,677,553
Bank charges	1,537,667	1,417,322
Total	52,569,467	32,094,875

Particulars	For the Year ended 31.03.14 (Rs.)	For the Year ended 31.03.13 (Rs)
Note No.24: Other Expenses		
Audit Fee *	140,000	140,000
Directors Travelling Expenses	2,548,466	1,505,151
Insurance	1,322,442	301,070
Rent ,Rate & Taxes	589,585	1,130,144
Stock Exchange Listing Fee	16,854	380,900
Telex & telephone	562,588	424,840
Travelling Expenses	1,682,295	447,416
Miscellaneous Expenses	4,071,859	2,607,845
Professional Charges	1,360,948	945,090
Electricity Charges	467,348	133,240
Postage & Telegrams	224,521	186,168
Carriage Outward	18,225	105,700
Commission charges	200,000	850,000
Electricity charges	5,560	4,940
Factory Rent	113,400	209,700
Freight	-	517,721
Professional charges	20,000	39,500
Security charges	96,000	108,000
Miscellaneous expenses	17,555	6,406
Remittance to NHAI	106,763,226	
Generator Expenses	135,315	
Plaza Maintainance	1,017,805	
Total	121,373,992	10,043,831
*Details of Payments to Auditors		
As Auditor		
Audit Fee	105,000	105,000
Tax Audit Fee	15,000	15,000
other Matters	20,000	20,000
	-	
Total	140,000	140,000

Note	Particulars	Unit	2013-2014	2012-2013
25	Contingent liabilities/claims not provided for : Unexpired Bank Guarantee issued in favour of: - Against letters of credit(SBLC) - A.P.TRANSKO	Rs. Rs.	90.00 Lakshs -	75.00 Lakshs 20.00 Lakshs
26	Estimated amount of contracts remaining to be executed on account of Capital works	Rs.	-	200.00 Lakhs
27	Opening Stock : ii) Value of Shrimp	Rs.	106,139,796	98,054,256
	Closing Stock : Value of Shrimp	Rs.	291,762,866	106,139,796
28	Expenditure incurred in foreign currency :			
	Imported Spares(including forCapital goods) spares worth of 23,06,880/-have been recived)	Rs.	10,780,234	Nil
	Travelling Expenses	Rs.	855,979	112,168
	Antidumping Fee	Rs.	58,670,529	9,596,139
	Marine Rejection Insurance	Rs.	3,286,130	5,251,320
	Export Claims	Rs.	297,438	678,566
	Commission	Rs.	362,495	332,247
	B.A.P.Audit fee	Rs.	349,377	295,994
	Shrimp Council Sponership -USA	Rs.	191,729	-
	Avalon Risk management insurance Agency LLC	Rs.	4,354,761	-
	Earnings in Foreign Exchange(FOB)	Rs.	1,983,186,504	962,631,954
29	Details of Remuneration to Whole-time Directors :			
	Sri T. Valsaraj, Managing Director			
	i) Salary	Rs.	2,100,000	1,200,000
	ii) Allowances	Rs.	-	-
	Sri G.V.V.Satyanarayana			
	i) Salary		1,800,000	1,200,000
	ii) Allowances		-	-
30	Donations included in Other expenses	Rs.	159,000	56,000

31 Conformation of balaces in case of Debtors and Crediotis have not been received

32 Directors have waived their sitting fee hence no provision has been made in the accounts

34 In compliance with the Accounting Standard relating to "Accounting for taxes on income" (AS22) issued by the Institute of Chartered Accountants of India the Company has provided deferred tax liability of Rs.61,75,656/- on account of timing difference in the method of depreciation adopted.

Deferred Tax liability as on 1.4.12 (Net)	126,945
Deferred tax liability provided upto 1.4.13	4,118,898
	4,245,843
Deferred tax liability provided during the year	6,175,656
Deferred tax liability as on 31.03.2012	10,421,499

35 Accounting Standard - 18 -- Related Party Disclosure

(i) Names of related parties and description of relationship

Key Management Personnel

(a) Sri T. Valsaraj - Key Management Personnel

(b) Sri.G.V.V.Satyanarayana- Key Management Personnel

Enterprises in which KMP or Relatives having significant influence

(a) M/s.T.V.R.Estates and Resorts Pvt. Ltd. - Associate Company

(b) M/s.Balaji Seafoods Ltd. - Associate Company

(c) M/s.Coastal Developers Pvt. Ltd. - Associate Company

(d) M/s. Sai Srekara Realtors & Fisheries - Associate Firm

(e) M/s. Snehadara Consultants - Associate Firm

II Transactions during the year with related parties

(Rs.in lakhs)

Sl. No.	Name of the Party	Relationship	Nature of transaction	Amount Rs.	Balance outstanding on 31.3.14
1)	Sri T. Valsaraj	Managing Director	Remuneration Amount paid Amount Received	21.00 47.79 47.75	-
2)	M/s.T.V.R.Estates and Resorts Pvt. Ltd.	Associate Company	Amount paid Amount Received	3.02 0	-
3)	M/s.Balaji Seafoods Ltd.	Associate Company	Amount paid Amount Received	21.13 21.13	-
4)	Coastal Developers Pvt. Ltd	Associate Company	Amount paid Amount Received	45.37 45.37	-
5)	Snehadara Consultants	Associate Firm	Amount paid Amount Received	0.40 0.40	-
6)	Sai Srekara Realtors & Fisheries	Associate Firm	Amount paid Amount Received	3.85 4.41	0.16(DR)
7)	Sri G.V.V.Satyanarayana	Director Finance	Remuneration Amount Received/paid	18.00	1.37(CR)

- 36 There are no overdue amounts payable to micro,small, and medium enterprises
- 37 The operations on Toll way division and Manufacture of plastic woven sacks (Poly pack division) have been completed and there will be no reparable segments in the next year.
- 38 During the year 28,400 equity shares have been forfeited and the same have not been further issued. for forfeiture of shares.
- 39 Previous years figures have been regrouped where ever necessary.

Signatures to Notes to Financial Statements

Sd/-

(T.VALSARAJ)

Managing Director

Sd/-

(G.V.V.SATYANARAYANA)

Director Finance

Sd/-

(V.V.S. BHAGAVAN)

Chartered Accountant

Place : Visakhapatnam

Date : 28.05.2014

M.No: 008571

COASTAL CORPORATION LIMITED

(CIN: L63040AP1981PLC003047)

Regd Office : 15-1-37/3, Nowroji Road, Maharanipecta, Visakhapatnam - 530 002,
Andhra Pradesh, India.

PROXY FORM

I/We in the District of being a member(s) of Coastal Corporation Limited hereby appoint.....ofin the District ofof failing him/herof..... in the District ofas my/our Proxy to vote for me/us on my/our behalf at the Thirty Third Annual General Meeting of the company to be held at D.No.6-42, Besides Toyota Showroom, Marikavalasa, Visakhapatnam-530 041, Andhra Pradesh, India on Tuesday, the 30th September, 2014 at 10.30 A.M. and at any adjournment thereof. Signed this.....day of2014.

Members(s) Folio Number.....

No.of Shares held.....



SIGNATURE

NOTES

1. Every instrument of Proxy should contain proper identification of non-member proxy holder be verification of his specimen signature on the proxy by the members concerned.
2. The Proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.

COASTAL CORPORATION LIMITED

(CIN: L63040AP1981PLC003047)

15-1-37/3, Nowroji Road, Maharanipecta, Visakhapatnam - 530 002, A.P. India.

ATTENDANCE SLIP

Thirty First Annual General Meeting on the 30th day of September, 2014 at 10.30 A.M.

Full name of the Member attending the meeting
First Holder/Joint Holder/Proxy (strike of whichever is not applicable) Member's Register Folio Number..... Name of Proxy (in Full & Block Letters) (if Proxy attends instead of the member)
..... No. of shares held.....

I hereby record my presence at the Thirty Third Annual General Meeting at D.No.6-42, Marikavalasa, Visakhapatnam-530041 on 30th day of September, 2014 at 10-30 A.M.

Member / Proxy's Signature

