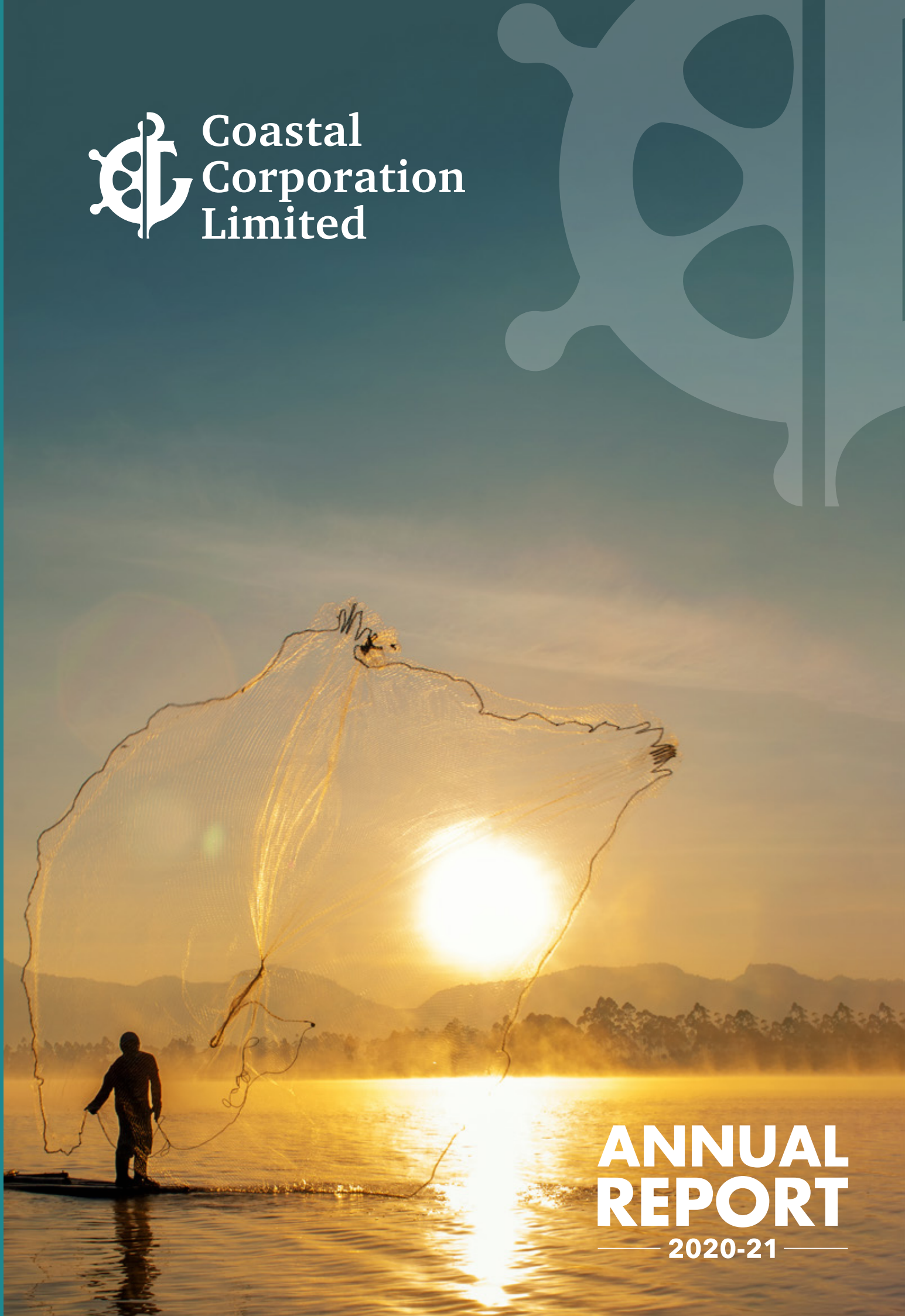
Coastal Corporation Limited



ANNUAL REPORT

2020-21

Index

COMPANY OVERVIEW

Coastal Corporation Limited is a 100% EOU that specialises in shrimp processing and export. With shipments to the US, Europe, Canada, China, Hong Kong, and the United Arab Emirates, this Visakhapatnam-based company is one of the largest shrimp exporters from India to the US market. The company provides a variety of shrimp such as raw frozen blocks and in IQF, cooked in frozen blocks and cooked in IQF forms, and cooked in frozen blocks and cooked in IQF forms based on customer specifications. The company has its own expansion plans for the ultra modern processing unit as a Greenfield processing unit at KSEZ, Kakinada, with an estimated Capex of around INR 600 million.

Coastal Corporation Limited is one of the leading manufacturer and exporter of a wide variety of shrimp. The company exports various grades of shrimp to countries such as the United States, Europe, Canada, the United Arab Emirates, Saudi Arabia, and Hong Kong. Sea tiger, whites, pink-brown, vannamei, and black tiger are amongst the products available.

Both raw and cooked forms of shrimp are offered by the company to export. The product category includes headless shell on, peeled deveined tail on, peeled undefined (PUD), shrimp skewers, cooked head-on, cooked headless shrimp, and many more. The processing plans are approved by U.S.FDA, EU and HACCP certified. There are two processing facilities in prime aquaculture zones in Andhra Pradesh's coastal areas, both of which are supported by highly advanced, modern technology that is completely on par with global standards.

Quality, according to the company, should be prioritized

Quality, according to the company, should be prioritized. As a result, continuous efforts are made to improve the products and services by investing in top-tier R&D and implementing stringent quality control protocols.

PRODUCT OFFERING

We offer a comprehensive array of products from our manufacturing unit. The majority of export variants comprise of raw and cooked shrimp. We use cutting edge technology right from sourcing to processing, packaging and delivering superior quality unadulterated Shrimp to the international markets.

READY TO EAT PRODUCTS
Cooked Head On
Cooked HL
Cooked PDTO Shrimp
Cooked PD Shrimp
Shrimp Cooked

PEELED PRODUCTS
Peeled Deveined Tail On (PDTO)
Peeled Deveined Tail Off (PD)
Pulled Vein Tail On (PVP STO)
Peeled Undeveined (PUD)

BASIC PRODUCTS
Headless Shell On (HL)
HL Easy-Peel Shrimp

SPECIAL PRODUCTS
Butterfly
Shrimp Skewers

02 World-Class Manufacturing Facilities

07 Continents Catered

13+ Countries Catered

35 MTPD Processing Capacity

750+ Team Members

KEY EXPORT MARKETS

Coastal Corporation Limited is among top ten players in Shrimp processing and distribution industry.

Engaged in processing and exporting of extensive range of Shrimp products across the high consuming markets of **USA, Europe, Canada, Saudi Arabia, Hong Kong, Korea, China, Japan & Russia**

MANUFACTURING FACILITIES

Unit I:

- **Plate Freezer** – 17.5 MT per day
- **Individually Quick Frozen** – 10 MT per day

Unit 2:

- **Plate Freezer** – 14 MT per day
- **Individually Quick Frozen** – 25 MT per day

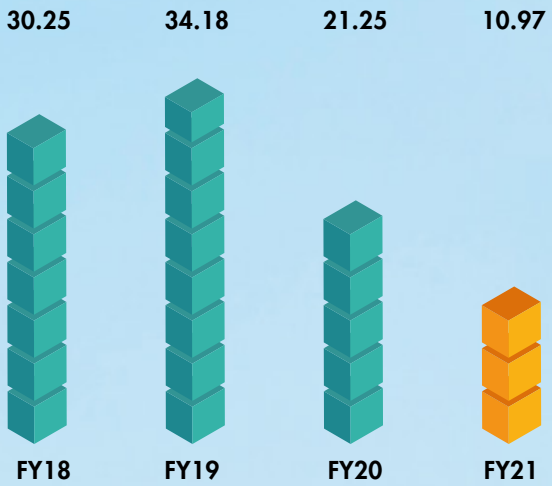
- Processing units are located in the prime aquaculture zone in the coastal area of Andhra Pradesh
- Strategic location facilitates easy procurement of raw materials and process them immediately after harvest, thereby reduce the products process life cycle


EXIT
HAND DIP

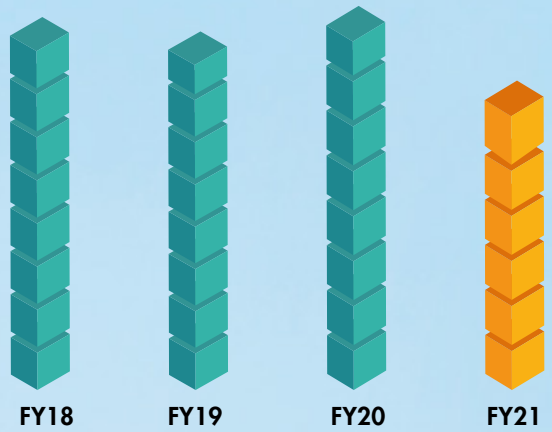
Annual Financial Highlights

(Standalone)

ROE (Rs. Cr.)

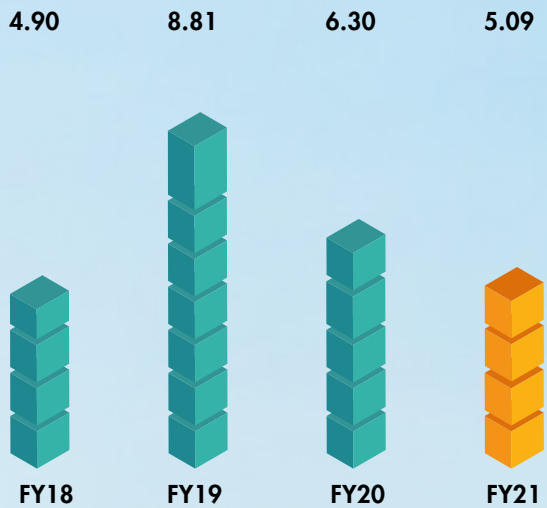


Revenue (Rs. Cr.)



EBITDA (Rs. Cr.) / Margin (%)

PAT (Rs. Cr.) / Margin (%)



Corporate Information

BOARD OF DIRECTORS:

Shri Emandi Sankara Rao	Chairman & Independent Director
Shri. T. Valsaraj	Vice Chairman & Managing Director
Shri. G.V.V. Satyanarayana	Director – Finance & CFO
Smt. Jeeja Valsaraj	Non – Executive Director
Shri. Kamireddi Venkateshwara Rao	Independent Director
Shri. M.V.Suryanarayana	Independent Director
Shri. Kalyanaraman P.R	Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER:

Ms. Swaroopa Meruva

REGISTRAR & TRANSFER AGENT:

Bigshare Services Private Limited
306, Right wing, Amrutha Ville,
Opp: Yashodha Hospital
Somajiguda, Raj Bhavan Road
Hyderabad – 500 082

Telephone No : 040 – 2337 4967
Fax : 040 – 2337 0295
Email : bsshyd@bigshareonline.com

STATUTORY AUDITORS:

M/s. Bramhmayya & Co..
Chartered Accountants
Visakhapatnam.

SECRETARIAL AUDITORS:

M/s. Sambhu Prasad M & Associates
Company Secretaries
Visakhapatnam

INTERNAL AUDITORS:

Jaya & Lakshmi
Chartered Accountants
Visakhapatnam

BANKERS:

Bank of India
Main Branch
Visakhapatnam, Andhra Pradesh.

EQUITY SHARE INFORMATION

BSE CODE
501831

DIVIDEND FY 2020-21
₹ 3.00 PER SHARE

KEY FINANCIAL HIGHLIGHTS

MARKET CAP
₹ 182.60 Cr

SALES (CONS)
₹ 473.48 Cr

PROFIT AFTER TAX (CONS)
₹ 18.83 Cr

The Chairman's Message

Dear Valued Shareholders,

On behalf of the Board of Directors, I am pleased to present Coastal Corporation Ltd's Annual Report for the financial year ended 31 March 2021 ("FY 2021"). This is my first message to you as a Chairman & Independent Director of the Company. As you are aware and seeing the growth path of the Company in the last few years, I am of the view and can say that significant efforts have been put in by the Management in the growth of the Company, especially by Mr. Thottoli Valsaraj, Vice Chairman & Managing Director and Mr. G.V.V. Satyanarayana, Director-Finance & CFO. It may also be mentioned that the valuable guidance and support by the Independent Directors have helped the company in improving Corporate Governance standards. Mrs. Jeeja Valsaraj, a Non-executive Director of the Company, being the Member of the various committees of the Company has always taken into account the interests of shareholders, customers, employees, creditors and the general public.

I have stepped into the Company's Board at times when the Mankind is suffering from an unprecedented pandemic Covid -19 which created , fear, stress, loss of life and impacted across the industries and economy in Covid -19 first wave .

> "Keep your face always toward the sunshine - and shadows will fall behind you"
>
> *- WALT WHITMAN*

In this current year, the Covid-19 second wave's swiftness and intensity has taken everyone by surprise and had impacted the health services & systems, devastated lives & livelihoods. My heart goes out to everyone out there who has suffered the loss of loved ones. I am confident we will eventually get the pandemic under control and until then, I urge all our share and stake holders to stay safe and, follow Covid protocols given by the government authorities , and get vaccinated as per the eligibility norms .

During the pandemic seafood exports were affected in the first half of the year, but it showed the good signs of revival in the last quarter of 2020-21. It may be mentioned that during the pandemic Andhra Pradesh seafood sector contributed over 38 per cent of total export revenue in 2020-21. During the Pandemic, the financial results of your Company were affected as expected. However, given the scientific & strategic planning made by the management and supported by the skill and dedication of the employees, your Company has boldly weathered all the turbulences that were encountered during the year, with their usual resilience and dedication.

I am confident that by the end of the current financial year, with the tapering of the pandemic impact, your Company will definitely emerge stronger and is expected to have growth with better business and financial indicators.

I sincerely thank all the Board of Directors for their faith posed on me in making me a part of Coastal Corporation Ltd family and in the coming years I will contribute and guide the Board for the development and growth of the company with a good corporate governance .

On behalf of the Board of Directors , I would like to thank all shareholders for their continued loyalty and support to the Company and expect the same in coming financial year FY 2021-22.

We also acknowledge the strong support given to your company by the valuable customers, bankers and business associates of our Company during the year FY 2020-21 and looking forward for the same and strong continued support to help us to achieve a better in FY 2021-22 and beyond.

Last but not the least I would like to thank all the employees and staff for their dedicated services and support in difficult times and expect from them to strive for further improvements of your company for better growth .

Be Safe and Stay safe from Covid-19

Sincerely

Emandi Sankara Rao,
Chairman and Independant Director

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Fortieth Annual General Meeting of the Members of **COASTAL CORPORATION LIMITED** will be held on Thursday, the 30th September, 2021 at 10.00 A.M. through Video Conferencing (**"VC"**)/Other Audio Visual Means (**"OAVM"**), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements (including Consolidated Financial Statements) of the Company for the year ended 31st March, 2021 including audited Balance Sheet as at 31st March, 2021 and Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and the Auditors thereon.

2. To declare a Dividend of Rs. 3/- per share (i.e., 30%).

3. To appoint a Director in place of Smt. Jeeja Valsaraj (DIN: 01064411), who retires by rotation and being eligible, offer herself for re-appointment.

SPECIAL BUSINESS:

4. Appointment of Mr. Emandi Sankara Rao (DIN: 05184747) as an Independent Director (designated as 'Chairman' of the Company)

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

RESOLVED THAT Mr. Emandi Sankara Rao (DIN: 05184747)who was appointed as an Additional Director of the Company with effect from July 01, 2021 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Article 189 of the Articles of Association of the Company, but who is eligible for appointment, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') the appointment of Mr. Emandi Sankara Rao, that meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director (designated as 'Chairman') of the Company, for a term of five years commencing from July 01, 2021 up to June 30, 2026 and who would not be liable to retire by rotation, be and is hereby approved.

5. Approval for payment of commission to Non-executive Directors

To consider, and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION:**

RESOLVED THAT pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment (s) thereof for the time being in force] and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, consent of the Members of the Company be and is hereby accorded for payment of commission to the Non-Executive Directors, including Independent Directors, of the Company (i.e., Directors other than the Managing Director and/or Whole Time Director) to be determined by the Board of Directors for each of such Non-Executive Director for each financial year and distributed between such Directors in such a manner as the Board of Directors may from time to time determine within the overall maximum limit of 1% (one percent) of the net profits of the Company for that financial year computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified by the Act from time to time in this regard.

RESOLVED FURTHER THAT that the above remuneration shall be in addition to fees payable to the Director(s) for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.

PROVIDED THAT in the event of loss or inadequacy of profits in any financial year during the term mentioned above, the Non-executive Directors shall be paid remuneration by way of Commission as set out above, as may be decided by the Board of Directors of the Company, notwithstanding that it may exceed one percent of the net profits of the Company and subject to such restrictions, if any, as may be set out in the applicable provisions of and schedule V to the Act, from time to time.

6. Revision in the terms of remuneration of Mr. Valsaraj Thottoli (DIN: 00057558), Managing Director (designated as " Vice Chairman") of the Company

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION:**

RESOLVED THAT in partial modification of resolution passed in this regard by the members of the Company at Annual General Meeting held on 29th September, 2020 and pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('the Act'), the consent of the members be and is hereby accorded for revision in remuneration of Mr. Valsaraj Thottoli (DIN: 00057558), Managing Director (MD), from 1st July 2021upto the remaining period of his tenure ending on 28th September 2025, which shall be as follows:

Salary: Rs. 3,25,000/- per month

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

(i) Medical Reimbursement:	Actual Expenses incurred for the MD and his family
Explanation:	'Family' means the spouse, dependent parents and dependent children
(ii) Gratuity:	Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act, 1972
(iii) As % of Net Profits	at the rate of 3% of the net profits

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during his said tenure, the remuneration be paid within the overall limits of Section 197 of the Act and in the agreement entered into between the Company and MD, with liberty to the Board of Directors, to alter or vary the terms and conditions and remuneration including minimum remuneration as it may deem fit and in such manner as may be agreed to between the Board and MD and subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to revise the remuneration of MD from time to time to the extent the Board of Directors may deem appropriate, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Act read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time and the said agreement between the Company and MD be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in general meeting.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required and delegate all or any of its powers herein conferred to any committee of director(s) to give effect to the above resolution.

7. Revision in the terms of remuneration of Mr. G.V.V. Satyanarayana (DIN:00187006), Whole Time Director (designated as " Director-Finance") of the Company

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

RESOLVED THAT in partial modification of resolution passed in this regard by the members of the Company at 36th Annual General Meeting held on 29th September, 2017 and pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('the Act'), the consent of the members be and is hereby accorded for revision in remuneration of Mr. G.V.V. Satyanarayana (DIN:00187006), Whole Time Director (designated as " Director-Finance"), with effect from 1st July, 2021 for the remaining period of his tenure ending on September 30, 2022.

RESOLVED FURTHER THAT the revised remuneration payable to Mr. G.V.V. Satyanarayana, Whole Time Director (**WTD**) shall be as under:

Salary: Rs. 2,00,000/- per month

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

(i) Medical Reimbursement:	Actual Expenses incurred for the **WTD** and his family
Explanation:	'Family' means the spouse, dependent parents and dependent children
(ii) Gratuity:	Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act, 1972
(iii) As % of Net Profits	at the rate of 1.5% of the net profits

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during his said tenure, the remuneration be paid within the overall limits of Section 197 of the Act and in the agreement entered into between the Company and Whole Time Director, with liberty to the Board of Directors, to alter or vary the terms and conditions and remuneration including minimum remuneration as it may deem fit and in such manner as may be agreed to between the Board and **WTD** and subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to revise the remuneration of Whole Time Director from time to time to the extent the Board of Directors may deem appropriate, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Act read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time and the said agreement between the Company and Whole Time Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in general meeting.

FURTHER RESOLVED THAT the Board of Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required and delegate all or any of its powers herein conferred to any committee of director(s) to give effect to the above resolution.

8. TO AMEND/MODIFY EXPLANATORY STATEMENT TO ITEM NO 1 OF THE NOTICE OF THE EGM DATED 12.01.2021 THAT WAS HELD ON 11.02.2021 PASSED FOR THE ISSUE OF CONVERTIBLE EQUITY WARRANTS TO PROMOTER AND PROMOTER GROUP

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

RESOLVED THAT the members be and hereby approve / accord their consent and be and hereby ratify and take on record corrected information/facts occurred on account of the printing and typographical errors in connection with the explanatory statement to Item No. 1 of the notice of **EXTRAORDINARY GENERAL MEETING** dated 12th January 2021 that was held on the 11th February, 2021 in Page No's : 13 and 14 and the corrected information/facts are as mentioned hereunder.

a) Item No.1 – Page No.13 in 1st paragraph "Regulation 158" be read as "Regulation 163"

b) Item No.1-Page No. 14:- Point No. (vi) Intent of the Promoters, Directors or Key Managerial Personnel of the Company to Subscribe to the preferential issue; contribution being made by the Promoters or Directors either as part of the Preferential issue or separately in furtherance of the objects", the name of "Thottoli Valsaraj" be read as T. Valsaraj".

RESOLVED FURTHER THAT for the purpose of giving effect to the above modifications/ratifications/ alterations in the EGM notice and Explanatory Statement dated 12th January 2021, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be required in connection with the proposed allotment of issue of shares including the convertible warrants, including any act, matters and things already done with statutory authorities/stock Exchanges and further authorize the Board to carry out all necessary acts, deeds, matters etc as may be necessary for giving effect to the above modifications/ratifications/ alterations and also to file the amendments/ratifications with the Stock Exchanges and seek listing of such securities at the Stock Exchanges where the existing securities are listed.

RESOLVED FURTHER THAT on and from the date passing of this resolution the EGM Notice dated 12th January 2021 should always be read in conjunction with above mentioned modifications. All other contents of the resolution and explanatory statement shall remain unchanged.

9. Approval for entering into Related Party Transactions

To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with related parties within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for one year on such terms and conditions as the Board of Directors may deem fit, for the financial year 2021-22, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to determine the actual sums to be involved in the transactions and to finalise terms and conditions including the period of transactions and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds and things that may be necessary, proper, desirable or expedient and to execute all documents, agreements and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be necessary in this regard.

Regd. Office:
Door No : 15-1-37/3,
Jayaprada Apartments,
Nowroji Road, Maharanipeta,
Visakhapatnam-530 002

Place : Visakhapatnam
Date : 10.08.2021

For and on behalf of the Board
For Coastal Corporation Limited

Sd/-
T. Valsaraj
Vice Chairman & Managing Director

Annexure to Notice of AGM

Statement of information as per Schedule V of the Companies Act, 2013

Relevant to revision in remuneration of Mr. T. Valsaraj, Vice Chairman & Managing Director, Mr. G.V.V. Satyanarayana, Whole time Director and CFO and payment of remuneration to Non- Executive Directors of the Company.

I. GENERAL INFORMATION

1. Nature of Industry: Processing of variety of Shrimp & Shrimp products.

2. Date or expected date of commencement of commercial production: The Company was incorporated on 30th May 1981 and consequently started its operations.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable

4. Financial performance based on given indicators

(in lakhs, except EPS)

Particulars	2020-21	2019-20
Sales & Other Income	41052.31	52721.67
Profit/(Loss) before tax	2797.07	4536.92
Profit/(Loss) after tax (after comprehensive income)	2088.01	3322.40
Paid-up equity capital	1067.88	1016.88
Reserves & Surplus	17969.54	14615.37
Basic Earnings per share	19.90	34.25

5. Foreign Investments or collaborations, if any.
The Company has invested USD 30,00,000 in the capital of its wholly-owned Subsidiary Company Seacrest Seafoods Inc., USA.

II. INFORMATION ABOUT THE DIRECTORS

1. Mr. Valsaraj Thottoli, Vice Chairman & Managing Director

Background Details	Mr. Valsaraj Thottoli aged 67 years is the Vice Chairman and Managing Director of the Company. His present tenure as Managing Director commenced from 29th September 2020 and is until 28th September, 2025. Currently he is responsible for overall operations of the entire organization.
Past Remuneration	Kindly refer to the Corporate Governance Report.
Recognition & Awards	He has been suitably recognized by various forums/ industrial bodies/ association(s) for his contribution to the cause of industrial growth and development
Job Profile and Suitability	Mr. Valsaraj Thottoli is one of the two promoters of the Company. He as a Managing Director and Vice Chairman of the Company, sets and evolves the strategic direction for the company and its portfolio of offerings, while nurturing a strong leadership team to drive its execution. He has an extensive global experience about four decades in the export business of marine products and other merchandise with a strong track record of driving, executing and managing the business turnarounds. He looks after overall management and operations of the Company and its subsidiaries. He is also instrumental in preparing growth strategies of the Company. He has been devoting his entire time, efforts and energy to develop the Company in all aspects including business planning and analysis of future competition and threats at Global level.
Remuneration Proposed	The details of the remuneration proposed to be paid to Mr. Valsaraj Thottoli has been set out in Item No. 6 of the Notice.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his/her origin)	Taking into consideration the size of the Company, the responsibility shouldered and the industry standard, the remuneration paid / proposed to be paid is commensurate with the remuneration package paid to Managerial Personnel in a similar role in other companies.
Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	Mr. Valsaraj Thottoli is the Promoter of the Company. He is not directly/indirectly related to any other Director and/or Key Managerial Personnel of the Company except Mrs. Jeeja Valsaraj who is his wife.

2. Mr. G.V.V. Satyanarayana, Whole Time Director (designated as " Director-Finance") of the Company

Background Details	Mr. Ganta Veera Venkata Satyanrayana, aged 60 years is the Whole Time Director and Chief Financial Officer of our Company. His present tenure as Whole Time Director commenced from 1st October 2017 and is until 30th September, 2022. Currently he is responsible for financial and administrative operations of the entire organization.
Past Remuneration	Kindly refer to the Corporate Governance Report.
Recognition & Awards	Mr. G.V.V.Satyanaryana, as a Whole-Time Director designated as Director – Finance & CFO with an experience of three decades in leading financial strategies to facilitate a company's ambitious growth plans. He is responsible for the entire finance function of the Company with a proven ability to constantly challenge and improve existing processes and systems. He has ability to communicate professionally with clients, colleagues and other stakeholders on detailed financial issues. Providing direction and leadership to planning and accounting staff. His expertise includes analysis of Balance Sheets, profit measurement, Cash Flow statements, carrying out investment appraisal, trend analysis, treasury and funding, investor relations, cost management, financial operations, taxation, financial accounting, financial modeling to help respond to dynamic market conditions by ensuring compliance and statutory reporting, able to deliver a high standard of financial control, proven ability to manage and develop a financial team, ensuring legal & regulatory compliance relating to tax & others is adhered to., and reporting.
Job Profile and Suitability	He holds degree of Master of Commerce from Andhra University. He has been looking after the overall financial and administrative activities of the Company. He is also responsible for liasoning with the Government Departments and Authorities. He has been associated with our Company since 1988.
Remuneration Proposed	The details of the remuneration proposed to be paid to Mr. GVV Satyanarayana has been set out in Item No. 7 of the Notice.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his/her origin)	Taking into consideration the size of the Company, the responsibility shouldered and the industry standard, the remuneration paid / proposed to be paid is commensurate with the remuneration package paid to Managerial Personnel in a similar role in other companies.
Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	Mr. GVV Satyanarayana is not directly/indirectly related to any other Director and/or Key Managerial Personnel of the Company.

3. Mrs. Jeeja Valsaraj, Non-executive and Non-Independent Director

Background Details	Mrs. Jeeja Valsaraj as a Women Director has interest and experience for more than two decades in the varied areas of Administration and Social responsibility. She is the Chairperson of Corporate Social Responsibility Committee of the Company and takes care of the CSR activities carried out by the Company. And also she is a member in various other committees of the Company.
Past Remuneration	Kindly refer to the Corporate Governance Report.
Recognition & Awards	She has been recognized by suitable forums/association(s) for her contributions.
Job Profile and Suitability	Mrs. Jeeja Valsaraj as a Women Director has interest and experience for more than two decades in the varied areas of Administration and Social responsibility. She is the Chairperson of Corporate Social Responsibility Committee of the Company and takes care of the CSR activities carried out by the Company. And also she is a member in various other committees of the Company. She is a philanthropist and Rotarian from the past 20 years and an active member of Rotary Club – Vizag Hill View and has held various other positions in the Club level & district level 3020. She is a founder member & Past President of Sanskriti – NGO, Vice-President of Vizagapatam Chamber of Commerce & Industry (VCCI) women's wing, Swacch Bharath ambassador of Visakhapatnam, Vice-President of Andhra Pradesh Federation of Resident Welfare Association (APFERWAS), she is a member of Confederation of Resident Welfare Association (CoRWA) a PAN India RWA apex body.
Remuneration Proposed	The details of the remuneration proposed to be paid to Mrs. Jeeja Valsaraj has been set out in Item No. 5 of the Notice.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his/her origin)	Taking into consideration the size of the Company, the responsibility shouldered and the industry standard, the remuneration paid / proposed to be paid is commensurate with the remuneration package paid to Board Members in a similar role in other companies.
Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	Mrs. Jeeja Valsaraj is the Promoter of the Company. She is the wife of Mr. Valsaraj Thottoli, Vice Chairman & Managing Director.

4. Mr. Emandi Sankara Rao, Chairman (Non-executive -Independent Director)

Background Details	Mr. Emandi Sankara Rao, aged 60 years is the Chairman and Non Executive Independent Director of our Company. He was appointed as Independent Director of the Board w.e.f. 1st July 2021. He has contributed immensely to the areas of developmental banking finance in industry & infrastructure for over 30 years. His association with IDBI, IDFC and with IIFCL have been well recognized by these financial institutions for his services. He has good expertise and experience in Project & Corporate Finance, Long-Term Resource Raising (Domestic & Foreign Capital), Investment Banking and Infrastructure Development
Past Remuneration	Not Applicable
Recognition & Awards	He has been recognized by suitable forums/association(s) for his contributions.
Job Profile and Suitability	As the Non-Executive – Independent Director on the Board, he has all the powers and duties as the Board may determine from time to time. He possesses skill sets as detailed in the Corporate Governance Report which are commensurate with the Board position held in the Company.
Remuneration Proposed	The details of the remuneration proposed to be paid to Mr. Emandi Sankara Rao has been set out in Item No. 5 of the Notice.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his/her origin)	Taking into consideration the size of the Company, the responsibility shouldered and the industry standard, the remuneration paid/proposed to be paid is commensurate with the remuneration package paid to Board Members in a similar role in other companies.
Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	He is not directly/indirectly related to any other Director and/ or Key Managerial Personnel of the Company.

5. Mr. M.V. Suryanarayana, Independent Director

Background Details	Mr. Venkata Suryanarayana Malakapalli, aged 75 years is a Non Executive Independent Director of our Company. His present tenure as an Independent Director commenced 29th September 2020 and is until 28th September, 2025. He is a Fellow Member of the Institute of Chartered Accountants of India and has work experience of 39 years in a renowned Insurance Company in Accounts, Marketing, Administration, Banking and Finance.
Past Remuneration	Kindly refer to the Corporate Governance Report.
Recognition & Awards	He has been recognized by suitable forums/association(s) for his contributions.
Job Profile and Suitability	As the Non-Executive – Independent Director on the Board, he has all the powers and duties as the Board may determine from time to time. He possesses skill sets as detailed in the Corporate Governance Report which are commensurate with the Board position held in the Company.
Remuneration Proposed	The details of the remuneration proposed to be paid to Mr. M.V. Suryanarayana has been set out in Item No. 5 of the Notice.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his/her origin)	Taking into consideration the size of the Company, the responsibility shouldered and the industry standard, the remuneration paid / proposed to be paid is commensurate with the remuneration package paid to Board Members in a similar role in other companies.
Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	He is not directly/indirectly related to any other Director and/ or Key Managerial Personnel of the Company.

6. Mr. K. Venkateswara Rao, Independent Director

Background Details	Mr. Venkata Suryanarayana Malakapalli, aged 76 years is a Non Executive Independent Director of our Company. His present tenure as an Independent Director commenced on 1st September 2019 and is until 31st August, 2024. Prof. K. Venkateswara Rao, is well-known among the Chemical Engineering Institutions & Petroleum, Refining, Petrochemical and other Chemical Industries. He is now Programme Director, Petroleum Courses, JNTUK, Kakinada.Prof. Rao established good contacts with industry as a consultant too. He is an expert in feasibility studies for Chemical Process Plants, Safety Energy Audits as well as Hazop and Risk Assessment Studies.
Past Remuneration	Kindly refer to the Corporate Governance Report.
Recognition & Awards	He has been recognized by suitable forums/association(s) for his contributions.
Job Profile and Suitability	As the Non-Executive – Independent Director on the Board, he has all the powers and duties as the Board may determine from time to time. He possesses skill sets as detailed in the Corporate Governance Report which are commensurate with the Board position held in the Company.
Remuneration Proposed	The details of the remuneration proposed to be paid to Mr. K. Venkateswara Rao has been set out in Item No. 5 of the Notice.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his/her origin)	Taking into consideration the size of the Company, the responsibility shouldered and the industry standard, the remuneration paid / proposed to be paid is commensurate with the remuneration package paid to Board Members in a similar role in other companies.
Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	He is not directly/indirectly related to any other Director and/ or Key Managerial Personnel of the Company.

7. Mr. Kalyanaraman P.R an Independent Director

Background Details	Mr. Kalyanaraman P.R, aged 73 years is a Non Executive Independent Director of our Company. His present tenure as an Independent Director commenced on 11th September 2018 and is until 10th September, 2023. Mr. Kalyanaraman P.R was a well rounded commercial banker, having an impeccable career record spanning over 45 years in financial services. He held successful assignments across public and private sector banks, across geographies and functions both in business and in operational areas– across retail and corporate businesses – both in field and at macro levels. He served as the Executive Director – a Board position in Federal Bank, the largest private sector bank in Southern India. He commenced his working career as a marketing professional; marketing has been a key driver. He was a guest faculty member at Bank's Staff Training College, Indian Institute Of Banking and Finance, National Institute of Bank Management to name a few.
Past Remuneration	Kindly refer to the Corporate Governance Report.
Recognition & Awards	He has been recognized by suitable forums/association(s) for his contributions.
Job Profile and Suitability	As the Non-Executive – Independent Director on the Board, he has all the powers and duties as the Board may determine from time to time. He possesses skill sets as detailed in the Corporate Governance Report which are commensurate with the Board position held in the Company.
Remuneration Proposed	The details of the remuneration proposed to be paid to Mr. Kalyanaraman P.R has been set out in Item No. 5 of the Notice.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his/her origin)	Taking into consideration the size of the Company, the responsibility shouldered and the industry standard, the remuneration paid / proposed to be paid is commensurate with the remuneration package paid to Board Members in a similar role in other companies.
Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	He is not directly/indirectly related to any other Director and/ or Key Managerial Personnel of the Company.

Notes:

1 In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020 and Circular no. 02/2021 dated January 13, 2021 (collectively "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively "SEBI Circulars"), have permitted companies to conduct AGM through VC or other audio visual means, subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 40th AGM of the Company is being convened and conducted through VC.

2 The deemed venue for fortieth e-AGM shall be the registered office of the Company.

3 Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this e-AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4 Statement pursuant to section 102 of the Act forms part of this Notice. The Board of Directors at its meeting held on 10th August, 2021 has decided that the special businesses set out under item no. 4 to 9, being considered 'unavoidable', be transacted at the fortieth e-AGM of the Company.

5 Brief details of the directors, who are seeking appointment/re-appointment, as per requirements of regulation 36(3) of the Listing Regulations and as per provisions of the Act are given in this Annual Report.

6 The facility of joining the e-AGM through VC/OAVM will be opened 15 minutes before and will be open upto 15 minutes after the scheduled start time of the e-AGM, i.e. from 09.45 am to 10.15 am and will be available for 1,000 members on a first-come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors etc.

7 Institutional Investors, who are members of the Company are encouraged to attend and vote at the fortieth e-AGM of the Company.

8 The Board of Directors has recommended dividend of Rs. 3/- per equity share of the face value of Rs.10/- each for the year ended 31 March 2021 for the approval of shareholders at the ensuing AGM.

9 Pursuant to the provisions of section 91 of the Act and regulation 42 of the Listing Regulations, the register of members and share transfer books of the Company will remain closed from Friday, 24th September 2021 to Thursday, 30th September 2021 (both days inclusive) for the purpose of payment of dividend.

10 Subject to the provisions of section 126 of the Act, dividend on equity shares, if declared at the AGM, will be credited/dispatched within the stipulated time:

a) to all those shareholders holding shares in physical form, as per the details provided by share transfer agent of the Company i.e. Bigshare Services Private Limited to the Company, as on or before the closing hours on Thursday, 23rd September 2021 and

b) to all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the Company by National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) as of the close of business hours on Thursday, 23rd September 2021.

11 As per the Listing Regulations and pursuant to SEBI Circular dated 20 April 2018, the Company shall use any electronic

mode of payment approved by the Reserve Bank of India for making payment to the members. Accordingly, the dividend, if declared will be paid through electronic mode, where the bank account details of the shareholders required for this purpose are available. Where dividend payments are made through electronic mode, intimation regarding such remittance will be sent separately to the shareholders. Where the dividend cannot be paid through electronic mode, the same will be paid through physical instrument such as non-negotiable instruments/warrants with bank account details of such shareholders printed thereon.

12 To ensure timely credit of dividend through electronic mode or physical instrument such as banker's cheque or demand draft, members are requested to notify change of address or particulars of their bank account, if any, to share transfer agent – Bigshare Services Private Limited and to their respective depository participants.

13 To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.

14 The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2021 to 30.09.2021 (both days inclusive).

15 In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate.

16 In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. Bigshare Services Private Limited, 06, 3rd Floor, Right Wing, Amrutha Ville Opp: Yashoda Hospital, Raj Bhavan Road Somajiguda, Hyderabad – 500082 by enclosing a photocopy of blank cancelled cheque of your bank account to update your bank details in our records.

17 With reference to SEBI circular, the amendment to Regulation 40 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has mandated that transfer of securities would be carried out only in dematerialized form w.e.f. 01st April, 2019. Therefore we request all the holders of physical certificates to get them dematerialized.

18 M/s. Bigshare Services Pvt. Ltd, 06, 3rd Floor, Right Wing, Amrutha Ville Opp: Yashoda Hospital, Raj Bhavan Road Somajiguda, Hyderabad – 500082 is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.

19 Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/ Company.

20 Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address to pcs.acs@gmail.com with a copy marked to cclinvestors@gmail.com.

21 The Registers required to be maintained under the Companies Act, 2013 and all documents referred to in the Notice will be available for inspection by the members at the Registered Office of the Company on all working days, between 11.00 am to 1.00 pm upto the date of the meeting. Members seeking to inspect such documents can send an email to cclinvestors@gmail.com.

22 Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.

23 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.

24 The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form are required to submit their PAN details to registrar and share transfer agents.

25 Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 ("SEBI Listing Regulations"), with the Stock Exchanges in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, the Director have furnished the requisite declarations for their appointment/re-appointment.

26 In terms of section 101 and 136 of the Act, read together with the rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial Statements, Board Report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular dated 12 May 2020 and 15 January 2021, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.coastalcorp.co.in, website of the Stock Exchange,i.e., BSE Limited at www.bseindia.com and on the website of Company's Registrar and Transfer Agents, M/s Big share Services Pvt. Ltd ("www.bigshareonline.com").

27 For receiving all communication (including Annual Report) from the Company electronically:

a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the RTA / Company with details of folio number and attaching a self-attested copy of PAN card to Big Share Services Private Ltd. at bsshyd1@bigshareonline.com and bsshyd@bigshareonline.com or to the Company at cclinvestors@gmail.com.

b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.

c) Shareholders who have not registered their e-mail address or registered an incorrect email address and in consequence the Annual Report, Notice of AGM and e-voting notice could not be serviced, may send signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy along with client master copy (in case of electronic folio) / copy of share certificate (in case of physical folio) via e-mail at the e-mail id cclinvestors@gmail.com for obtaining the Annual Report and Notice of e-AGM.

28 In case a person has become a member of the Company after dispatch of AGM Notice, but on or before the cut-off date for e-voting, i.e., Thursday, 23rd September 2021, such person may obtain the User ID and Password from the Company's RTA by sending an email request on the above mentioned mail ids.

29 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 compliances 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

30 In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.

31 Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):
Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Companies

Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.
Members who have not yet encashed the dividend warrants from the financial year ended 31st March 2015 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agent without any further delay. It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.

32 Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id: cclinvestors@gmail.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id:cclinvestors@gmail.com). These queries will be replied to by the company at the meeting/suitably by email.

33 Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Sec.103 of the Act

34 Since the meeting will be conducted through VC/OAVM facility, the Route Map is not annexed in this Notice.

35 E-VOTING:

The business as set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 40th Annual General Meeting. The Company has engaged the services of Central Depository Services India Limited (CDSL) to provide the e voting facility.

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 in relation to e-voting facility provided by Listed Entities, the members are provided with the remote e-voting facility to exercise votes on the items of business given in the Notice, through the e-voting services provided by CDSL to vote at the e-AGM.

The Members whose names appear in the Register of Members / List of Beneficial Owners as on 23rd September 2021, are entitled to vote on the resolutions set forth in this Notice. The e-voting period will commence on Monday, 27th September 2021 (09:00 hrs) and will end on Wednesday, 29th September 2021 (17:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically.

The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above. The Company has appointed Mr. Sambhu Prasad, Practicing Company Secretary (CP No. 11723) Mem. No. F8795 to act as Scrutinizer to conduct and scrutinize the electronic voting process and poll at the Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

ANNEXURE FOR E-VOTING PROCEDURE

THE INSTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.

Shareholders are advised to update their mobile number and e-mail id with their DPs in order to access e-voting facility.

(i) The voting period begins on <27.09.2021 at 9.00AM > and ends on <29.09.2021 at 5.00PM>.

E-Voting Start Time	E-Voting End Time
27.09.2021 at 9.00 AM	29.09.2021 at 5.00PM

(ii) ** Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23.09.2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

(iv) Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

(i) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1 Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2 After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3 If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4 Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1 If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2 If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3 Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on

Continued on the next page

	a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	1 You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(ii) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

(1) The shareholders should log on to the e-voting website www.evotingindia.com.
(2) Click on "Shareholders" module.
(3) Now enter your User ID
   a) For CDSL: 16 digits beneficiary ID,
   b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

(4) Next enter the Image Verification as displayed and Click on Login.
(5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

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

For Shareholders holding shares in Demat Form other than individual and Physical Form	
Individual Shareholders holding securities in Demat mode with CDSL	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(iii) After entering these details appropriately, click on **"SUBMIT"** tab.

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

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

(vi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(vii) On the voting page, you will see **"RESOLUTION DESCRIPTION"** and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(viii) Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.

(ix) After selecting the resolution, you have decided to vote on, click on **"SUBMIT"**. A confirmation box will be displayed. If you wish to confirm your vote, click on **"OK"**, else to change your vote, click on "CANCEL" and accordingly modify your vote.

(x) Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.

(xi) You can also take a print of the votes cast by clicking on **"CLICK HERE TO PRINT"** option on the Voting page.

(xii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xiii) Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address cclinvestors@gmail.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id: cclinvestors@gmail.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id: cclinvestors@gmail.com). These queries will be replied to by the company at the meeting/suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
4. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
5. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cclinvestors@gmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

General Instructions:

i. The Board of Directors has appointed M. Sambhu Prasad, Practising Company Secretary (FCS No. 8795 CP No. 11723) as the Scrutinizer to the e-voting process and voting at the e-AGM in a fair and transparent manner.
ii. The Chairman shall formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the Fortieth e-AGM and announce the start of the casting of vote through the e-voting system.
iii. The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, first count the votes cast at the meeting, thereafter unblock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.
iv. The Scrutinizer shall submit his report to the Chairman or in his absence Managing Director of the Company, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website www.coastalcorp.co.in and shall also be communicated to the stock exchanges. The resolutions shall be deemed to be passed at the AGM of the Company.

36. Dividend related information:

The Finance Act, 2020 has abolished the Dividend Distribution Tax ('DDT') and has introduced the system of dividend taxation in the hands of the shareholders with effect from 1 April 2020. Accordingly, the Company would be required to deduct Tax at Source ('TDS') in respect of approved payment of dividend to its shareholders (resident as well as non-resident).

Resident Shareholders:

Tax shall be deducted at source under section 194 of the Income Tax Act, 1961 ('IT Act') @ 10% on the amount of dividend declared and paid by the Company during financial year 2021-22, subject to the following:

SL. No.	Particulars	Rate of TDS applicable	Section under the IT Act
	PAN is not available/ Invalid PAN	20%	206AA
	Non-linking of PAN with Aadhaar, if allotted (Refer **Note 1**)	20%	206AA
	Non-filing of return of income tax for any of the last two financial years (i.e. FY 2018-19 and FY 2019-20); and TDS as well as TCS deduction in each of these years in case of the shareholder is H 50,000 or more (Refer **Note 2**)	20%	206AB

Note 1: As per section 139AA(2) of the IT Act read with Rule 114AAA of the Income Tax Rules, 1962, currently, PAN is mandatorily required to be linked with Aadhaar by 30 September 2021. If PAN is not linked with Aadhaar by 30 September 2021 (unless such due date is extended), such PAN will be deemed inoperative and tax at source will be required to be deducted at higher rates under section 206AA of the IT Act.

Note 2: Provisions of section 206AB of the IT Act are applicable with effect from 1 July 2021.

No tax shall be deducted at source on the dividend payable to a resident individual if the total dividend to be received by the said resident individual from the Company during a financial year does not exceed Rs. 5,000; or if an eligible resident shareholder provides a valid declaration in Form 15G/ Form 15H or other documents as may be applicable to different categories of shareholders.

Further, if a shareholder has obtained a lower or Nil withholding tax certificate from the tax authorities and provides a copy of the same to the Company, tax shall be deducted on the dividend payable to such shareholder at the rate specified in the said certificate.

Non-resident Shareholders:

Tax is required to be deducted at source in the case of non-resident shareholders in accordance with the provisions of section 195 of the IT Act at the rates in force. As per the relevant provisions of the IT Act, the TDS on dividend shall be @ 20% or applicable rate plus applicable surcharge and health and education cess on the amount of dividend payable to the non-resident shareholders. For FII/ FPI shareholders, section 196D provides for TDS @ 20% or applicable rate plus applicable surcharge and health and education cess.

However, as per section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) read with applicable Multilateral Instrument provisions, if they are more beneficial to them.

To avail benefit of rate of deduction of tax at source under DTAA, such non-resident Shareholders/FPI will have to provide the following:

1. Self-attested copy of the PAN allotted by the Indian Income Tax authorities;
2. Tax residency certificate from the jurisdictional tax authorities confirming residential status for FY2021-22
3. Declaration by the non- resident in prescribed form 10F
4. Self-declaration by the non-resident Shareholder as to:
   - Eligibility to claim tax treaty benefits based on the tax residential status of the Shareholder, including having regard to the Principal Purpose Test (if any), introduced in the applicable tax treaty with India;
   - No Permanent Establishment / fixed base in India in accordance with the applicable tax treaty;
   - Shareholder being the beneficial owner of the dividend income to be received on the equity shares.

In case of non-resident Shareholder, having permanent establishment in India, if they are classified as "specified person" as per the provision of section 206AB, tax will be deducted at rate higher of:

(a) twice the rate as per the provisions of Income Tax Act, 1961; or
(b) twice the rate in force; or
(c) 5%

Kindly note that the documents should be uploaded with Bigshare Services Pvt Ltd., the Registrar and Transfer Agent at bsshyd@bigshareonline.com

No communication on the tax determination/ deduction shall be entertained after 20th September 2021. The above referred documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the IT Act.

In addition to the above, please note the following:

- In case you hold shares under multiple accounts under different status/category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.
- In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.
- For deduction of tax at source, the Company would be relying on the above data shared by Bigshare as updated up to the record date.

It may be further noted that in case tax on dividend is deducted at a higher rate in the absence of receipt of any of the aforementioned details/ documents from the shareholders, the shareholders may consider filing their return of income and claiming an appropriate refund, as may be eligible. No claim shall lie against the Company for such taxes deducted.

Annexure to the Notice:

Explanatory Statement
(Pursuant to Section 102(1) of the Companies Act, 2013)

Item No. 4

Appointment of Mr. Emandi Sankara Rao (DIN: 05184747)as an Independent Director (Designated as 'Chairman)

On June 29, 2021, the Board of Directors appointed Mr. Emandi Sankara Rao as an Additional Director cum Chairman of the Company (Independent & Non-Executive) for a term of 5 years with effect from July 1, 2021 to June 30, 2026, subject to approval of the Members of the Company.
In terms of section 160 of the Companies Act, 2013, Nomination and Remuneration Committee and the Board have recommended the appointment of Mr. Emandi Sankara Rao as an Independent Director pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013.
The Company has received a declaration from Mr. Emandi Sankara Rao confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Further, the Company has also received Mr. Emandi Sankara Rao's consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.
In the opinion of the Board, Mr. Emandi Sankara Rao fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his appointment as an Independent Director of the Company and is independent of the management.
In line with the Company's remuneration policy for Independent Directors, Mr. Emandi Sankara Rao will be entitled to receive remuneration by way of sitting fees as approved by the Board of Directors, reimbursement of expenses for participation in the Board meetings and commission on of such sum as may be approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee within the overall limits under Companies Act, 2013 of up to 1% of the net profits of the Company during any financial year, in aggregate payable to all Non-Executive Directors put together.

Details of remuneration paid to Independent Directors shall be disclosed as part of the Annual Report.

Mr. Emandi Sankara Rao is an academician & researcher, a trained technocrat, a respected finance specialist and a prudent policy formulator. Considering Mr. Emandi Sankara Rao's experience of over two decades as a reputed and experienced leader from the financial services industry, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years with effect from July 1, 2021 to June 30, 2026.
Except Mr. Emandi Sankara Rao and/or her relatives, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

Your Directors recommends the resolution proposing the appointment of Mr. Emandi Sankara Rao as an Independent Director of the Company, as set out in Item No. 4 for approval of the Members by way of an Ordinary Resolution.

Additional information in respect of Mr. Emandi Sankara Rao, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided herein below:

Information about the Appointee
Brief Resume:

Mr. Emandi Sankara Rao was born in Vishakhapatnam on 31st December 1960 is an academician & researcher, a trained technocrat, a respected Banking & Finance specialist and a prudent policy formulator. Dr E S Rao demonstrated in various fields as a multi-faceted personality with a human touch and passion for inclusive development and growth with his Individual Social Responsibility (ISR) activities & initiatives and mentoring of young professionals in innovative businesses. Dr Rao, today is a known name in the field of Infrastructure, Banking & Finance and CSR Sectors.
He is an alumni of IIT Bombay (PhD), IIT Kharagpur (M. Tech), Pondicherry Central University (PGDBA), Andhra University (B.E. Electrical Engineering) and a Chartered Engineer and trained in World Bank on Infrastructure Financing.

Dr. Rao served as MD & CEO of IFCI Ltd, a Government of India Undertaking under Ministry of Finance. Dr Rao was also the Chairman of IFCI Group of companies namely Stock Holding Corporation of India Ltd, IFCI Venture Capital Funds Ltd, IFCI Factors Ltd, Management Development Institute (MDI) and Institute of Leadership Development, Jaipur.

Last year as part of Infrastructure Developmental Finance initiatives he has been chosen by Ministry of Finance, Government of India as a member in a Inter Ministerial Committee for the formation of a new Developmental Financial Institution (DFI) which has been passed as an National Bank For Financing Infrastructure And Development Bill 2021 and earlier during the 12th Five Year Plans Dr E. S. Rao has been a member in the Sub-Group's on Infrastructure Finance (under RBI and erstwhile Planning Commission Working Group on Savings Formulation) of the 12th Five Year Plan, member of Sub-Group on Financing Urban Infrastructure in the 12th Five Year Plan, and a member in the Ministry of Finance – DFS Committee on Debt Market Development and contributed several research & policy papers in various National and International Conferences & Workshops

He has contributed immensely to the areas of developmental banking finance in industry & infrastructure for over 30 years. His association with IDBI, IDFC and with IIFCL have been well recognised by these financial institutions for his services. He has good expertise and experience in Project & Corporate Finance, Long-Term Resource Raising (Domestic & Foreign Capital), Investment Banking and Infrastructure Development. He was the Founder Director & CEO of IIFCL Asset Management Company Ltd and formed and operated the first IDF-MF as per the SEBI norms. Also the Founder Director & CEO of IIFCL Projects Limited and offered the advisory services to the corporates in Corporate & Project Finance after moving from IDFC Group as Director & Business Head.

In the last ten years he has been mentoring Young Professional Entrepreneurs & Start-up's and facilitating inclusive growth of Atmanirbhar India for Skill Development and Make in India in the field of Rural Agriculture, Solar Energy Applications, Education and Cinema.

As a Skill Developer and Social Reformer he has been doing inclusive Individual Social Responsibility (ISR) and contribution for more than twenty five years in Healthcare & Cancer, Education and Girl Child Development. He has adopted and supported 3 small rural hamlets and 3 schools in Kuneru Village in Andhra Pradesh

Major Directorships

He is currently serving as a Director of Steel Exchange India Limited.

Shareholding in the Company: Nil

Nature of expertise in specific functional area are:

Academician & researcher, a trained technocrat, a respected finance specialist, a prudent policy formulator

Remuneration:

He will be eligible for payment of sitting fee and commission, as payable to other non-executive directors of the Company.

Relationship between Directors Inter-se:

He is not related to any key managerial personnel of the Company.

None of the directors or key managerial personnel or their relatives are directly or indirectly concerned or interested, financially or otherwise, except to the extent of his respective shareholding, if any, in the Company, in the resolution set out in ***Item No. 4*** of the Notice.

Item No. 5

Approval for payment of commission to Non-executive Directors

With the enhanced Corporate Governance requirements under the Act and the SEBI Listing Regulations coupled with the growing size, and operations of the Company, the roles and responsibilities of the Board, particularly Independent Directors has become more onerous, requiring greater time commitments, attention and a higher level of oversight. In view of the above, the Nomination & Remuneration Committee and the Board of Directors at their respective meetings held on June 29, 2021 recommended and approved payment of commission not exceeding 1% of the net profits of the Company for Financial Year 2021-22 and onwards, in terms of Section 197 of the Act, computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified from time to time.

Pursuant to Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Members is required to be obtained for payment of commission to the non-Executive Directors of the Company. Further, pursuant to the provisions of the Section 197(3) of the Companies Act, 2013, read with the amended Schedule V thereto, if in any financial year, the Company has no profits or its profits are inadequate, the Company can pay remuneration to the non-Executive Directors not

exceeding the limits as specified under Item A of Section II of Part II of the Schedule V of the Companies Act, 2013. However, remuneration in excess of the limits as given in the Schedule V of the Companies Act, 2013 may be paid provided a Special Resolution is passed by the Members. With the increase in complexity of managing business day by day, the non-Executive Directors are nowadays required to devote considerable time and effort towards the business activities of the Company. In this regard, considering the prevailing economic and business conditions, the Company may be in a situation of having inadequacy or absence of profits for payment of remuneration to the non-Executive Directors.

In such a situation, Members consent is also being sought for payment of minimum commission to be paid and distributed amongst the non-Executive Directors of the Company or some or any of them in such amounts or proportions and in such manner and in all respects as may be decided by the Board of Directors (including any Committees thereof) of the Company notwithstanding that it may exceed one percent of the net profits of the Company and subject to such restrictions, if any, as may be set out in the applicable provisions of and schedule V to the Act, from time to time.

The disclosures as required under Schedule V of the Companies Act, 2013, and Secretarial Standard 2 are furnished and form a part of this Notice.

Except all the Non-Executive Directors being the recipient(s) of the Commission and their relatives, except Mr. T. Valsaraj, being the husband of Mrs. Jeeja Valsaraj, Non-Executive Director, none of the other Directors and the Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the Resolution as set out in ***Item No. 5*** of the accompanying Notice of the AGM.

Item No. 6

Revision in the terms of remuneration of Mr. Valsaraj Thottoli (DIN: 00057558), Managing Director (designated as "Vice Chairman") of the Company

Mr. Valsaraj Thottoli is one of the two promoters of the Company. He as a Managing Director and Vice Chairman of the Company, sets and evolves the strategic direction for the company and its portfolio of offerings, while nurturing a strong leadership team to drive its execution. He has an extensive global experience about four decades in the export business of marine products and other merchandise with a strong track record of driving, executing and managing the business turnarounds. He looks after overall management and operations of the Company and its subsidiaries. He is also instrumental in preparing growth strategies of the Company. He has been devoting his entire time, efforts and energy to develop the Company in all aspects including business planning and analysis of future competition and threats at Global level.

He holds the degree of Bachelor of Technology in Chemical Engineering and Chemical Technology from Andhra University. He also holds Directorships in several other companies, engaged in diverse businesses like bulk drug manufacturing, hydro power & construction.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Valsaraj, the Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company, at its meeting held on 29th June 2021 has approved the proposal to increase the salary of Mr. Valsaraj Thottoli, Managing Director, subject to the approval of shareholders, as set out in the resolution being item no. 6 of the accompanying notice w.e.f. 01st July, 2021 for the remaining period of his tenure i.e. upto 28th September , 2025.

Minimum Remuneration:

Where in any financial year, during the currency of the tenure of Mr. Valsaraj as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, and other benefits as specified in the resolution being item no. 5 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II, subject to the following:-

(i) The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.

(ii) There is no default in repayment of any of its debts or interest payable thereon.

The Nomination and Remuneration Committee at its meeting held on 29th June, 2021 has already approved the above remuneration payable to Mr. Valsaraj, Vice-Chairman of the Company. Further, the Company has not made any default in repayment of any of its debts or interest payable thereon. The proposed revision in remuneration above is well in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act and hence approval of Central Government is not

required for the above revision in remuneration.
Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company as approved by the members of the Company shall remain unchanged.
Considering Mr. Valsaraj experience in industry, and the trend in the industry, and his contribution towards the growth of the Company, the terms of his remuneration are considered to be fair, just and reasonable and are commended for your approval..

Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of Members.
None of the Directors, Key Managerial Personnel and their relatives, except Mr. Valsaraj and Mrs. Jeeja Valsaraj his wife and his relative, are in any way, concerned or interested in the said resolution.
The Board commends the Special Resolution set out at ***Item No. 6*** of the accompanying Notice for the approval by the Members.

Item No. 7

Revision in the terms of remuneration of Mr. G.V.V. Satyanarayana (DIN:00187006), Whole Time Director (designated as " Director-Finance") of the Company

Mr. G.V.V.Satyanaryana, as a Whole-Time Director designated as Director – Finance & CFO with an experience of three decades in leading financial strategies to facilitate a company's ambitious growth plans. He is responsible for the entire finance function of the Company with a proven ability to constantly challenge and improve existing processes and systems. He has ability to communicate professionally with clients, colleagues and other stakeholders on detailed financial issues. Providing direction and leadership to planning and accounting staff. His expertise includes analysis of Balance Sheets, profit measurement, Cash Flow statements, carrying out investment appraisal, trend analysis, treasury and funding, investor relations, cost management, financial operations, taxation, financial accounting, financial modeling to help respond to dynamic market conditions by ensuring compliance and statutory reporting, able to deliver a high standard of financial control, proven ability to manage and develop a financial team, ensuring legal & regulatory compliance relating to tax & others is adhered to., and reporting.
Mr. G.V.V Satyanarayana was appointed as Whole Time Director (designated as Director-Finance) of the Company with effect from 1st October 2017 for a period of 5 years at the 36th Annual General Meeting of the shareholders held on 29th September, 2017.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on G.V.V. Satyanarayana, the Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company, at its meeting held on 29th June, 2021, has approved the proposal to increase his salary subject to the approval of shareholders, as set out in the resolution being item no. 7 of the accompanying notice w.e.f. 1st July 2021 for the remaining period of his tenure i.e. upto 30th September, 2022.

Minimum Remuneration:

Where in any financial year, during the currency of the tenure of Mr.G.V.V Satyanarayana as Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary and other benefits as specified in the resolution being item no. 7 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II, subject to the following:-

(i) The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
(ii) There is no default in repayment of any of its debts or interest payable thereon.

The Nomination and Remuneration Committee at its meeting held on 29th June, 2021 has already approved the above remuneration payable to G.V.V .Satyanarayana, Whole-time Director of the Company. Further, the Company has not made any default in repayment of any of its debts or interest payable thereon.
The proposed revision in remuneration above is well in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act and hence approval of Central Government is not required for the above revision in remuneration.
Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Whole Time Director of the Company as approved by the members of the Company shall remain unchanged.
Considering Mr. G.V.V Satyanarayana's experience, and the trend in the industry, the terms of his remuneration are considered

to be fair, just and reasonable and are commended for your approval.
Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of Members.
None of the Directors, Key Managerial Personnel and their relatives, except GVV Satyanarayana and his relatives, are in any way, concerned or interested in the said resolution.
The Board commends the Special Resolution set out at ***Item No. 7***of the accompanying Notice for the approval by the Members.

Item No. 8

The shareholders of the Company at the EGM held on 11th February 2021 accorded their approval to the Board for issue of 15,00,000 Convertible Warrants at a price of Rs. 187 per warrant to promoter and promoter group on preferential basis.
A few typographical and printing errors were noticed in the Notice of EGM. The company furnished an undertaking to BSE on 26th February 2021 that the Company will rectify and give the following disclosures in the ensuring members meeting as regards to typographical errors:
The typographical and printing errors noticed in the Explanatory statement to the notice dated 12/01/2021 read as :

a) Item No.1 - Page No.13 in 1st paragraph "Regulation 158" be read as "Regulation 163"
b) Item No.1- Page No. 14:- Point No. (vi) Intent of the Promoters, Directors or Key Managerial Personnel of the Company to Subscribe to the preferential issue; contribution being made by the Promoters or Directors either as part of the Preferential issue or separately in furtherance of the objects", the name of "Thottoli Valsaraj" be read as T. Valsaraj".

It is also apprised to the Members that from the date of passing this resolution the EGM Notice dated 12..01.2021 should always be read in conjunction with above mentioned modification. All other contents of the resolution and explanatory statement shall remain unchanged."
Further, it is disclosed to the Members that BSE gave the approval for issue and allotment of 14,10,000 convertible warrants as against approval given by Members for issue and allotment of 15,00,000 convertible warrants. Allotment of 90,000 convertible warrants to Kambhampati Hari Babu(HUF) were not approved by BSE.
None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the above referred resolution in ***Item No.8*** except to the Promoter and Promoter Group.

Item No. 9

Approval for entering into Related Party transactions

The Members are informed that the Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the Related Parties of the Company. As per the provisions of Section 188 (1) of the Companies Act, 2013 "Related Party Transactions" requires obtaining prior consent of the Board where transactions proposed to be entered into falls in the list of items referred therein and are within threshold limits prescribed under Rule 15 of Companies (Meeting of Board and its Power) Rules, 2015.
Rule 15 of Companies (Meeting of Board and its Power) Rules, 2014 requires taking prior approval of the Company by Special Resolution where transactions proposed to be entered into falls, in the list of items referred therein and are in excess of threshold limits.

Proviso to Section 188 further provides that nothing contained in Sub-section (1) of Section 188 applies where transactions are entered into by the Company in the ordinary course of business other than transactions which are not on an arm's length basis.
All transactions entered into by the Company with Related Entities are at arm's length basis and in the ordinary course of business except a few of which could be construed as not in the ordinary course of business but are at arm's length basis.
In the light of provisions of the Companies Act, 2013, the Board of Directors are authorised to determine the actual sums to be involved in the transactions and to finalise terms and conditions including the period of transactions and all other matters arising out of or incidental to the proposed transactions.
The Members are further informed that no Member/s of the Company being a Related Party or having any interest in the Resolution as set out at Item No. 9 shall be entitled to vote on this special Resolution.
The Board of Directors recommends the Resolution set forth in ***Item No. 9*** for approval of the Members.
Except Promoter, Directors and their relatives (to the extent of their Shareholding interest in the Company), no other Director or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in passing of this Resolution.

Regd. Office:
Door No: 15-1-37/3,
Jayaprada Apartments,
Nowroji Road, Maharanipeta,
Visakhapatnam-530 002

Place: Visakhapatnam
Date: 10.08.2021

For and on behalf of the Board
For Coastal Corporation Limited

Sd/
T. Valsaraj
Vice Chairman & Managing Director

DIRECTORS' REPORT

To,
The Members,

Your Directors are having immense pleasure in presenting the Fortieth Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the Financial Year ended 31st March, 2021 and the report of the Auditors thereon.

1. FINANCIAL SUMMARY

(Rs. in lakhs)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020	Year Ended 31.03.2021	Year Ended 31.03.2020
	(Standalone)		(Consolidated)	
Revenue from Operations	40,219.45	51,295.48	47,347.83	60,427.75
Other Income	832.86	1,426.19	845.97	1,481.08
Total Income	41,052.31	52,721.67	48,193.80	61,908.83
Profit before Taxation	2,797.07	4,536.92	2,613.16	4,463.29
Current Tax	725.31	1130.00	725.31	1,130.00
Tax relating to earlier years	9.33	(32.29)	10.98	(32.29)
MAT credit Entitlement			(1.54)	
Deferred Tax Credit/(Charge)	38.24	(43.14)	37.07	(42.43)
Profit After Tax(PAT)	2,024.18	3,482.35	1,841.34	3,408.01
Total Other Comprehensive Income/Loss net of tax	63.83	(159.95)	42.61	(70.47)
Total Other Comprehensive Income for the year net of tax	**2,088.01**	**3,322.40**	**1,883.95**	**3,337.54**

2. SUMMARY OF OPERATIONS & STATE OF COMPANY'S AFFAIRS

The standalone and consolidated financial statements of the Company for the financial year ended March 31, 2021, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs and as amended from time to time.

On a consolidated basis, your Company's total income decreased to Rs. 48,193.80 Lakhs for the current year as against Rs. 61,908.83 Lakhs in the previous year. Your Company's net profits decreased to Rs. 1,883.95 Lakhs for the current year as against Rs. 3,337.54 Lakhs in the previous year.

On a standalone basis, your Company's total income decreased to Rs. 41,052.31 Lakhs for the current year as against ` Rs. 52,721.67 Lakhs in the previous year. Your Company's net profits decreased to Rs. 2,088.01 Lakhs in the current year as against Rs. 3,322.40 Lakhs in the previous year.

3. THE IMPACT OF COVID-19 ON THE BUSINESS AND GOING CONCERN ASSUMPTIONS OF THE COMPANY

The Corona Virus Disease 2019 (COVID-19) started as a locally circulating infection. On 11 March 2020, WHO characterized the COVID-19 outbreak as a pandemic with a growing number of cases reported outside of China, from Eastern Asia to Europe and North America. In the first half of 2020, the pandemic entered all regions of the world, some worse than others, including many major fish-producing and/or fish-consuming countries and global suppliers of fish feed. While fishing and aquaculture and the distribution of their products are considered an essential activity in most countries, the measures adopted to contain the spread of infection caused significant direct and indirect challenges to the sector. The drop in demand, which in some cases has resulted in reduced prices of fish and fish products, low market demand has been a main concern worldwide as this has direct negative impact on quantities sold and price per unit, reducing revenues.

International trade suffered from border restrictions on the global markets. As a result of the lockdown, the capture also halted.

The market effects of the pandemic have brought about several far-reaching changes, many of which are likely to persist in the long term. Aggregate prices for 2020, as measured by the Fish Price Index (FAO, 2020), were down year-on-year for most traded species. The importance of retail sales has significantly increased at the expense of food services, as the hospitality sector has

remained subdued. Consumers, who are trying to limit frequent visits to grocery stores and are concerned about future lock-downs, have shifted their seafood preferences towards preserved and prepared products, while demand for fresh fish has waned.
The outlook for the fourth quarter 2020-21 was uncertain with a strong tendency towards risk aversion on the part of businesses and consumers alike. A second wave of the pandemic in many countries underlines the continuing threat to market stability. On the positive side, product innovations, new distribution channels, e-commerce and home deliveries, and the shortening of supply chains that have coincided with this upheaval are likely to benefit the seafood industry for many years to come.

4. SHARE CAPITAL

As on 31st March, 2021 the authorized capital of the Company is Rs. 15,00,00,000/- (Rupees fifteen crores only) divided into 1,50,00,000 (one crores fifty lakhs) equity shares of 10/-each .
The Company in FY 2020-21 allotted 14,10,000 Convertible Warrants ("Warrants"), each carrying a right to subscribe to one Equity Share per Warrant, at a price of Rs. 187 per Warrant ("Warrant Price"), aggregating to `Rs. 2636.70 Lakhs on a preferential basis to Promoter and Promoter group and an amount equivalent to 25% of the Warrant price was paid at the time of subscription.
During the year, balance 75% of the Warrant Price was paid for conversion of 5,10,000 warrants pursuant to exercise of the options attached to the Warrants and 5,10,000 Equity Shares were allotted. As at March 31, 2021, an amount of Rs.1375 Lakhs was received which will be used for Setting up of 3.6 MVH Solar Power Plant for captive consumption , Establishment of a green field sea food processing unit to pre-process shrimp and other sea-food at Kakinada, to augment the working capital requirements of the Company and general corporate purposes.
The paid-up capital of the Company as on 31st March 2021 stands at Rs. 10,67,88,000 (Rupees Ten Crores Sixty Seven Lakhs Eighty Eight Thousand) divided into 1,06,78,800 (One Crores Six Lakhs Seventy Eight Thousand and Eight Hundred) equity shares of 10/- each .

48,194 L
TOTAL INCOME

1,841 L
PROFIT AFTER TAX

5. DIVIDEND

The Company has voluntarily formulated a Dividend Distribution Policy which has been duly approved by the Board of Directors. A copy of the Dividend Distribution Policy is available on the Company's website: www.coastalcorp.co.in
The policy sets out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders.
The directors recommend for consideration of shareholders at the ensuing annual general meeting, payment of a dividend of Rs.3.00 per equity share of Rs.10/- each (30%) for the year ended 31 March 2021.
For the year ended 31 March 2020, the dividend paid was Rs. 1.5 per share of Rs. 10/- each (15%).
As per the amended Income Tax Act, 1961, hereafter there will be no dividend distribution tax payable by the Company. The dividend, if declared, will be taxable in the hands of the shareholders subject to tax deduction at source at the applicable rates. For details, shareholders are requested to refer to the Notice of annual general meeting.
The dividend recommended is in accordance with the principles and criteria as set out in the dividend distribution policy.

6. AMOUNT TO BE CARRIED TO RESERVES

The Company has not transferred any amount to the reserves during the current financial year.

7. EMPLOYEE STOCK OPTION PLANS (ESOP)

Your Company believes that its success and ability to achieve objectives is largely determined by the quality of its workforce and recognises that not only good employment opportunities but also additional motivating mechanisms are needed to incentivise employees and aligning their interest with the interest of the Company.

In recognition of the said objective, the Company adopted and implemented **CCL ESOP Scheme – 2021 ("CCL Scheme – 2021")**. to attract, retain, motivate and incentivise employees of the Company and its subsidiaries. The ESOP Plan of the Company are implemented and administered by the Nomination & Remuneration Committee.

The Board of Directors confirms that the ESOP Plans are in compliance with the provisions of the Act and the SEBI (Share based employee benefits) Regulations 2014. CCL Scheme – 2021 is in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 and this has been certified by the statutory auditors of the Company. The said certificate from Statutory Auditors shall be available for inspection at the ensuing 40th Annual General Meeting of the Company.

In line with Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014, a statement giving complete details, as at 31 March 2021, is available on the website of the Company at www.coastalcorp.co.in.

There were no Options granted or vested or any shares issued on vesting during the year.

8. SUBSIDIARIES/ASSOCIATES AND JOINT VENTURES

The Company has the following three wholly owned subsidiaries:

I) Continental Fisheries India Private Limited

The operational performance of the Company is as below:

Rs. in Lakhs

Particulars	2020-2021	2019-20
Revenue from operations	292.46	4492.43
Profit Before Tax	19.62	9.87
Less:		
Tax expense	1.07	0.70
Net Profit After Tax	**20.69**	**9.17**

II) Seacrest Seafoods Inc.

Seacrest Seafoods Inc. is a Wholly Owned Subsidiary of the Company which has been established in the Year 2015 in the State of Delaware, U.S.A, with an objective to import and sell sea foods in the American Markets. The operational performance of the Company is as below:

Rs. in Lakhs

Particulars	2020-2021	2019-20
Revenue from operations	8133.98	5452.84
Gross Profit	104.82	349.87
Less:		
Operating expenses	308.35	433.35
Net Loss	**(203.53)**	**(83.48)**

III) Coastal Biotech Private Limited:

Your Company incorporated a Subsidiary Company, Coastal Biotech Private Limited in the State of Odisha during the Financial Year 20-21 To carry on the business as manufacturers, producers, processors, buyers, sellers, refiners of ethanol, IG ethanol. It has an Authorised Capital of Rs. 25 Crores and Paid-up capital of Rs. 1 Crore. As the Company was incorporated on 25th February 2021, its Financial Results are not shown in this Annual Report.

Pursuant to Section 129(3) of the Companies Act, 2013, a separate statement containing salient features of the financial statement of both the subsidiaries of the Company (The details of Coastal Biotech Private Limited are not included) is annexed in the format of AOC-1 as ***Annexure - 1*** to the Financial Statements of the Company.

The accounts of the above subsidiaries have been considered in the consolidated financial results of the Company.

The Annual Audited Financial Statements of each of the subsidiary companies are placed on the Company's website. The same will also be made open for inspection.

9. NUMBER OF MEETINGS OF THE BOARD

Seven (7) meetings of the board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

47,347.83 L

REVENUE FROM OPERATIONS

18.10

EARNING PER SHARE

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Your Company has historically adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length as part of its philosophy of adhering to highest ethical standards, transparency and accountability. In line with the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has approved a policy on related party transactions. An abridged policy on related party transactions has been placed on the Company's website at www.coastalcorp.co.in .

All related party transactions are placed on a quarterly basis before the Audit Committee and before the Board for approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are foreseeable and of a repetitive nature.

Details of transaction(s) of your Company with entity(ies) belonging to the Promoter/ Promoter group which hold(s) more than 10% shareholding in the Company as required under para A of Schedule V of the Listing Regulations are provided as part of the financial statements.

Pursuant to Regulation 23(9) of the Listing Regulations, your Company has filed the reports on related party transactions with the Stock Exchanges.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as ***Annexure – 2*** to this report.

These have been discussed in detail in the Notes to the Standalone Financial Statements in this Annual Report.

11. DEPOSITS

The Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

12. STATUTORY AUDITORS & AUDITOR'S REPORT

At the 38th Annual General Meeting held on August 31, 2019, the Members approved the appointment of M/s. Bramhmayya & Co., Chartered Accountants, Visakhapatnam (Registration No.000513S) to hold office from the conclusion of the 38th Annual General Meeting until the conclusion of the 43rd Annual General Meet-

ing of the Company to be held in the year 2024.
Pursuant to Section 141 of the Act, the Auditors have represented that they are not disqualified and continue to be eligible to act as the Auditor of the Company.
The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.
The Statutory Auditors were present in the last AGM.
There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their report on the Financial Statements of the Company for the Financial Year ended March 31, 2021.

13. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Sambhu Prasad M & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as ***Annexure - 3*** to this report. The same does not contain any adverse remarks.

15. INTERNAL AUDITORS

M/s. Jaya & Lakshmi, Chartered Accountants, Visakhapatnam were the Inernal Auditors of the Company for Financial Year 20-21. The Board of Directors based on the recommendations of the Audit Committee have re-appointed them for the financial year 2021-22. They have to act in an independent manner and are also responsible for regulatory and legal requirements relating to operational processes and internal systems. They report directly to the Board of Directors.

16. ANNUAL SECRETARIAL COMPLIANCE REPORT

A Secretarial Compliance Report for the financial year ended 31st March, 2021 on compliance of all applicable SEBI Regulations and circulars/ guidelines, issued by M/s. Sambhu Prasad M & Associates., Secretarial Auditors was submitted to Bombay Stock Exchange (BSE).

17. CREDIT & GUARANTEE FACILITIES

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

18. PARTICULARS REGARDING ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as ***Annexure - 4*** to this report.

19. MANAGEMENT DISCUSSION ANALYSIS

Pursuant to the provisions of Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a report on Management Discussion & Analysis is herewith annexed as ***Annexure - 5*** to this report.
The Management Discussion & Analysis report, captures your Company's performance, industry trends and other material changes with respect to your Company and its subsidiaries, wherever applicable.
It provides a consolidated perspective of economic, social and environmental aspects material to your Company's strategy and its ability to create and sustain value to its key stakeholders.

20. CORPORATE GOVERNANCE

Your Company believes in adopting best practices of corporate governance. Corporate governance principles are enshrined in the Spirit of Coastal, which form the core values of the Company. As per Regulation 34 of the Listing Regulations, a separate section on corporate governance practices followed by your Company, together with a certificate from Practicing Company Secretary, on compliance with corporate governance norms under the Listing Regulations, forms part of this Annual Report as ***Annexure – 6, 7 & 8.***

21. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company is at the forefront of Corporate Social Responsibility (CSR) and sustainability initiatives and practices. Your Company believes in making lasting impact towards creating a just, equitable, humane and sustainable society. The Company spent towards tackling the unprecedented health and humanitarian crisis arising from the COVID-19 pandemic outbreak.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year in the format prescribed in the Companies (CSR Policy) Amendment Rules, 2021 are set out in ***Annexure - 9*** of this Report. The policy is available on Company's website at www.coastalcorp.co.in.

22. ANNUAL RETURN

As per the provisions of section 92(3) of the Companies Act, 2013, the Annual Return of the Company for the FY 2021 is available on our website www.coastalcorp.co.in.

23. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

The below mentioned Directors were appointed/re-appointed in terms of applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at the 39th Annual General Meeting which was held on September 29th, 2020:

- **(i)** Mr. M.V. Suryanarayana was re-appointed as an Independent Director of the Company for five years.
- **(ii)** Mrs. Jeeja Valsaraj who was liable to retire by rotation was re-appointed.
- **(iii)** Mr. Valsaraj Thottoli was re-appointed as the Managing Director of the Company for five years.

Appointments/Re-appointments at this Annual General Meeting

(i) Regularisation of Mrs. Jeeja Valsaraj (01064411)j:

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mrs. Jeeja Valsaraj, Director of the Company retires by rotation and being eligible, has offered herself for re appointment.

As per the requirements of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Clause 1.2.5 of the Secretarial Standard 2 (Revised) as issued by the Institute of Company Secretaries of India, a statement containing the requisite details of Mrs. Jeeja Valsaraj's re-appointment is given below:

Particulars	Details
Name	Mrs. Jeeja Valsaraj
Date of Birth	01-02-1964
Age	57 yrs
Relationships with Directors inter-se	She is the wife of the Managing Director, Mr. Valsaraj Thottoli
Profile	Mrs. Jeeja Valsaraj as a Women Director has interest and experience for more than two decades in the varied areas of Administration and Social responsibility. She is the Chairperson of Corporate Social Responsibility Committee of the Company and takes care of the CSR activities carried out by the Company. And also she is a member in various other committees of the Company. She is a philanthropist and Rotarian from the past 20 years and an active member of Rotary Club – Vizag Hill View and has held various other positions in the Club level & district level 3020. She is a founder member & Past President of Sanskriti – NGO, Vice-President of Vizagapatam Chamber of Commerce & Industry (VCCI) women's wing, Swacch Bharath ambassador of Visakhapatnam, Vice-President of Andhra Pradesh Federation of Resident Welfare Association (APFERWAS), she is a member of Confederation of Resident Welfare Association (CoRWA) a PAN India RWA apex body. She is a science graduate from Mumbai University. She holds a Post Graduate Diploma in Management & Manufacturing of Textiles, Mumbai and holds a fashion designing degree from JD Institute of Fashion Technology, Mumbai.
Qualification	Post Graduate Diploma in Management & Fashion Technology
Experience & Expertise in specific function area	16 years
Remuneration last drawn by such person	Kindly refer to the Corporate Governance Report.
Date of first appointment on the Board	01/10/2004
Membership/Chairmanship of committees of the Board of Directors of the Company	She is the Member of Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Nomination & Remuneration Committee of the Company. She is the chairperson of Stakeholders Relationship Committee
Other Directorships and Membership of other Boards	Director of Coastal Developers Private Limited
Shareholding	1,99,200 Equity Shares 1,75,000 warrants convertible into shares

(ii) Appointment of Mr. Emandi Sankara Rao (DIN: 05184747) as an Independent Director of the company for five years w.e.f. 1st july 2021

Pursuant to the recommendation of nomination and remuneration committee, the board has, on June 29, 2021, approved the appointment of Mr. Emandi Sankara Rao (DIN: 03017471) as an Additional Director in the capacity of Independent Director (designated as Chairman) for a term of 5 years with effect from July 1, 2021 to June 30, 2026, subject to approval of the shareholders of the company. Necessary resolutions for his appointment are being placed for the approval of shareholders as part of the notice of the 40th AGM.

As per the requirements of regulation 36(3) of SEBI (listing obligations and disclosure requirements) regulations, 2015 (as amended) and clause 1.2.5 of the Secretarial Standard 2 (revised) as issued by the Institute of Company Secretaries of India, the necessary disclosures have been made in the explanatory statement for the item relating to his appointment.

Key Managerial Personnel

in terms of section 203 of the act, the key managerial personnel (KMPs) of the company during fy 2020-21 are:

- Mr. Valsaraj Thottoli, Vice-Chairman and Managing Director
- Mr. G.V.V. Satyanarayana, Director - Chief Financial Officer
- Ms. Swaroopa Meruva, Company Secretary

there was no resignation and removal of any key managerial personnel during the year.

A brief profile of the directors of the company is annexed herewith as *Annexure - 10* to this report

24. DECLARATION BY INDEPENDENT DIRECTORS

In terms of section 149 of the act and the SEBI Listing Regulations, Mr. Kamireddi Venkateswara Rao, Mr. M.V.Suryanarayana, Mr. Kalyanaraman P.R. and Mr. Emandi Sankara Rao are the Independent Directors of the Company as on date of this report.

All independent directors of the company have given declarations under section 149(7) of the act, that they meet the criteria of independence as laid down under section 149(6) of the act and regulation 16(1)(b) of the SEBI listing regulations. In terms of regulation 25(8) of the SEBI listing regulations, the independent directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Company has received confirmation from all the existing Independent Directors of their registration on the Independent Directors database maintained by the institute of corporate affairs pursuant to rule 6 of the Companies (appointment and qualification of Directors) rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfil the conditions specified in act as well as the rules made thereunder and are independent of the Management.

25. Committees of the board

Your company's board has the following committees:

1. Audit Committee
2. Corporate Social Responsibility Committee
3. Nomination & Remuneration Committee
4. Stakeholders' Relationship Committee

Details of terms of reference of the Committees, Committee membership changes, and attendance of Directors at Meetings of the Committees are provided in the Corporate Governance Report forming part of of this Annual Report.

26. PARTICULARS OF EMPLOYEES AS PER SECTION 197(12) UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the act read with rule 5(1) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as ***Annexure-11***

Statement containing particulars of top 10 employees and the employees drawing remuneration in excess of limits prescribed under section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of this report.

In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Shareholders, excluding the aforesaid Annexure. The said Statement is also open for inspection. Any member interested in obtaining a copy of the same may write to the Company Secretary.

None of the employees listed in the said annexure are related to any Director of the Company.

27. DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134 (3) (C) OF THE COMPANIES ACT, 2013

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, secretarial auditors and external agencies, and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during fy 2020-21.

Pursuant to section 134 (5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The directors had taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The annual accounts for the financial year 2020-21 have been prepared on a going concern basis;

(e) The Directors have laid down internal financial controls, which are adequate and are operating effectively; and

(f) The Directors have devised proper systems to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS OR TRIBUNALS

There are no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation. However, Members attention is drawn to the Statement on Contingent Liabilities and Commitments in the Notes forming part of the Financial Statement.

29. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there is no change in nature of the business of the Company. The affairs of the Company are conducted in accordance with the accepted business practices and within the purview of the applicable legislations.

30. MATERIAL CHANGES AND COMMITMENT

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report unless otherwise stated in the report.

31. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower policy framed to deal with instance of fraud and mismanagement, if any in the Company. The details of the policy are explained in the Corporate Governance report and also posted on the website of the Company. (www.coastalcorp.co.in).

32. RISK MANAGEMENT

The Board oversees Company's processes for determining risk tolerance and review management's action and comparison of overall risk tolerance to established levels. The framework is designed to enable risks to be identified, assessed and mitigated appropriately. Major risks identified by the businesses and functions are systematically addressed through appropriate actions on a continuous basis.

33. POLICY ON DIRECTORS' APPOINTMENTS AND REMUNERATION, INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, ETC.

The Company's policy (salient features) on Directors' remuneration and other matters provided in section 178(3) of the Act has been briefly disclosed hereunder and in the Report on Corporate Governance, which is a part of this Report.

Selection and procedure for nomination and appointment of directors

The Nomination & Remuneration Committee is responsible for developing competency requirements for the Board based on the

industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.
The Nomination & Remuneration Committee conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re- appointment is required. The Nomination & Remuneration Committee reviews and vets the profiles of potential candidates vis-a-vis the required competencies, undertakes due diligence and meeting potential candidates, prior to making recommendations of their nomination to the Board.

Criteria for determining qualifications, positive attributes and independence of a Director

In terms of the provisions of section 178(3) of the Act, and Regulation 19 of the SEBI listing regulations, the Nomination & Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- Qualifications - The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the board has an appropriate blend of functional and industry expertise.
- Positive Attributes - Apart from the duties of Directors as prescribed in the Act the Directors are expected to demonstrate high standards of ethical behaviour, communication skills and Independent judgment. The Directors are also expected to abide by the respective code of Conduct as applicable to them.
- Independence - A Director will be considered independent if he/she meets the criteria laid down in Section 149(6) of the Act, the rules framed thereunder and regulation 16(1)(b) of the SEBI Listing Regulations.
  The Directors affirm that the remuneration paid to Directors, KMPs and employees is as per the Remuneration Policy of the Company.

34. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to Section 186 of the Companies act, 2013 and Schedule **V** of the Listing Regulations, disclosure on particulars relating to Loans, Advances, Guarantees and Investments are provided as part of the financial statements.

35. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS

The annual evaluation process of the board of directors, Individual Directors and Committees was conducted in accordance with the provisions of the Act and the SEBI listing regulations.
The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.
The board and the Nomination & Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.
In a separate meeting of independent directors, performance of non- independent directors and the board as a whole was evaluated.
Additionally, they also evaluated the Chairman of the board, taking into account the views of Executive and Non-Executive Directors in the aforesaid meeting. The Board also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The above evaluations were then discussed in the Board meeting and performance evaluation of independent directors was done by the entire Board, excluding the Independent Director being evaluated.

36. PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE

Your Company strongly supports the rights of all its employees to work in an environment free from all forms of harassment. The Company has also constituted an Internal Committee, known as Anti Sexual Harassment Committee to address the concerns and complaints of sexual harassment and to recommend appropriate action. The committee aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure. During the year there were no cases filed pursuant to the Sexual Harassment of Women at Workplace(Prevention, Prohibition and Redressa) Act, 2013.

37. HUMAN RESOURCES:

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

38. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate.

Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The measures implemented for internal financial controls include multiple authority levels for approval of expenditures, budgetary controls, internal audit etc.

39. ACKNOWLEDGEMENTS:

Your Directors wish to convey their appreciation to all of the Company's employees for their contribution towards the Company's performance. The Directors would also like to thank the Shareholders, Customers, Dealers, Suppliers, Bankers, and all other Business Associates for their continuous support to the Company and their confidence in its management.

Your directors gratefully acknowledge the ongoing co-operation and support provided by the Central and State Governments, Stock Exchanges, SEBI, RBI and other regulatory bodies. The directors appreciate and value the contribution made by every member of the COASTAL FAMILY.

On behalf of the board
For Coastal Corporation Limited

Sd/-
(T. Valsaraj)
Vice Chairman & Managing Director

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

Place: Visakhapatnam
Date: 10.08.2021

Annexure 1

FORM AOC-1

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Wholly Owned Subsidiaries

(Rs. in Lakhs.)

Sl. No.	Particulars	Continental Fisheries India Private Limited	Seacrest Seafoods Inc. (Foreign Subsidiary)
1)	CIN of the Subsidiary	U05000AP2014PTC094907	--
2)	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021
3)	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Rupee (INR)	Rupee (INR) [USD converted to INR]
4)	Share capital	302.76	2,191.50
5)	Reserves & surplus	(8.85)	(1451.38)
6)	Total assets	752.33	1415.24
7)	Total Liabilities	752.33	1415.24
8)	Investments	NIL	NIL
9)	Turnover	292.45	8128.17
10)	Profit before taxation	19.62	(203.53)
11)	Provision for taxation	(1.07)	NIL
12)	Profit/Loss after taxation	20.69	(203.53)
13)	Proposed Dividend	NIL	NIL
14)	% of shareholding	100%	100%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - NIL

As per our report

for, Brahmayya & Co.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. Ramana Rao
Partner (M.No:018545)

for, and on behalf of the Board

Sd/-
T.Valsaraj
Vice Chairman & Managing Director

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

Place: Visakhapatnam
Date: 29.06.2021

Annexure 2

FORM NO. AOC -2

Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including arms length transactions under fourth (4th) provision there to:

1. During the year 2020-21 there are no arrangements or transactions with related parties which were not at arm's length basis.

2. Following are the details of contracts or arrangements or transactions at Arm's length basis:

Name of the Related Party	Nature of Relationship	Duration of Contracts	Salient Terms	Amount (Rs. in Lakhs)
Shri T. Valsaraj	Managing Director	Ongoing	Remuneration	107.07
Shri. G.V.V. Satyanarayana	Director – Finance & CFO	Ongoing	Remuneration	58.03
M/s. Continental Fisheries India Private Limited	Wholly Owned Subsidiary in India	Ongoing	Investment in Equity Loan Amount repaid Advance given	NIL 1,140.50 3.37
M/s. Seacrest Seafoods Inc.	Wholly Owned Subsidiary in U.S.A	Ongoing	Investment in Equity Sale of Shrimp Amount received against sales Loan given	- 1,018.91 575.07 146.10
Jeeja Valsaraj	Director	--	Sitting Fees	1.55
Vineesha Valsaraj	Relative of Director	Ongoing	Salary	3.00
T. Viswanath	Relative of Director	Ongoing	Labour Charges Amount Paid	251.40

As per our report

for, Brahmayya & Co.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. Ramana Rao
Partner (M.No:018545)

for, and on behalf of the Board

Sd/-
T.Valsaraj
Vice Chairman & Managing Director

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

Place: Visakhapatnam
Date: 29.06.2021

Annexure 3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2021

To,
The Members,
M/s Coastal Corporation Limited
15-1-37/3, Nowroji Road,
Jayapradha Apartments, Maharanipeta,
Visakhapatnam – 530 002, Andhra Pradesh

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Coastal Corporation Limited (CIN: L63040AP1981PLC003047) (here-in-after called the Company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2021, complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Coastal Corporation Limited for the Financial Year ended on 31st March, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable as the Company has not issued any debt securities during the financial year under review;
  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - not applicable;
  (g) The Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2009 - Not applicable as the Company has not de-listed its equity shares from any stock exchange during the financial year under review; and
  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company did not buy back its equity shares from any stock exchange during the financial year under review;
(vi) We have relied on the representation made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

The other laws specifically applicable to the Company are:
(a) Food Safety and Standards Act, 2006
(b) Marine Products Export Development Authority Act, 1972 and rules made thereunder
(c) Coastal Aquaculture Authority Act, 2005 and rules made thereunder

We have relied on the representations made by the company, its officers and reports of Internal Auditors for systems and wmechanism framed by the Company for compliances under other acts, Laws and regulations applicable to the company.

We have also examined compliance with the applicable Clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The SEBI (LODR) Regulations, 2015 and the Listing Agreements entered into by the Company with the Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

Few Forms were filed with additional fees, this should be reported as deemed compliance by reference of payment of additional fees.

We further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
For the purpose of this Secretarial Audit, the Company has provided us some of the required secretarial documents.
Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on Agenda were sent at least Seven Days in advance, and a system exists for seeking and obtaining further information and clarifications on the Agenda Items before the meeting and for meaningful participation at the meeting.
As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous, and no dissenting views have been recorded.
We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

(i) The Company in FY 2020-21 allotted 14,10,000 Convertible Warrants ("Warrants"), each carrying a right to subscribe to one Equity Share per Warrant, at a price of `187 per Warrant ("Warrant Price"), aggregating to `Rs. 2636.70 Lakhs on a preferential basis to Promoter and Promoter group and an amount equivalent to 25% of the Warrant price was paid at the time of subscription.
During the year, balance 75% of the Warrant Price was paid for conversion of 5,10,000 warrants pursuant to partial exercise of the options attached to the Warrants and 5,10,000 Equity Shares were allotted.
(ii) During the year, the Company adopted and implemented **CCL ESOP Scheme – 2021 ("CCL Scheme – 2021")**

For Sambhu Prasad M & Associates
Practicing Company Secretaries
Sd/-
Sambhu Prasad M
Partner
FCS No.: 8795
C P No.: 11723
UDIN: F008795C000763175

Place: Visakhapatnam
Date: 10.08.2021

This report is to be read with our letter of even date which is annexed as '***Annexure A***' and forms an integral part of this report.

Annexure A

To,
The Members,
Coastal Corporation Limited
Visakhapatnam – 530002.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Record is the responsibility of the Management of the company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Sambhu Prasad M & Associates
Practicing Company Secretaries
Sd/-
Sambhu Prasad M
Partner
FCS No.: 8795, C P No.: 11723
UDIN: F008795C000763175

Place: Visakhapatnam
Date: 10.08.2021

Annexure 4

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO
[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

(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.

Sl. No.	POWER AND FUEL CONSUMPTION :	Current Year 31.03.2021	Previous year 31.03.2020
	Electricity :		
a)	Purchase		
	Units	73,49,664	79,02,436
	Total Amount (in Rs.)	5,58,23,215	6,34,37,462
	Rate/Unit (in Rs.)	7.60	8.02
b)	Have to give:		
	Through D.G. Units	1,38,729.70	1,94,444.30
	Total Amount (in Rs.)	34,86,730.10	44,00,996.30
	Unit/Lt. of Diesel Oil	3.14	3.11
	Cost/Unit (in Rs.)	25.13	22.63

(B) TECHNOLOGY ABSORPTION:

Not Applicable.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the period under review, the Foreign Exchange Earnings and Outgo is as follows:

Particulars	2020-21	2019-20
Foreign Exchange Earnings(FOB)	366,55,29,595	456,95,26,273
Foreign Exchange Outgo	377,07,23,482	15,84,74,554

Sd/-
G.V.V. SATYANARAYANA
Director (Finance)

Date : 10.08.2021
Place: Visakhapatnam

Annexure 5

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY OVERVIEW:

Coastal Corporation Limited is one of India's top shrimp exporters to US markets and a 100 percent Export Oriented Unit located in Visakhapatnam. The company's primary focus is on shrimp processing and export, and it offers shrimp in a number of forms, including raw frozen blocks and IQF, cooked in frozen blocks and IQF, and cooked in IQF as per customer requirements. It exports its products to the United States, Europe, Canada, the United Arab Emirates, China, and Hong Kong. Exports of value-added items such as a headless shell on butterflies, skewers, grilled, and so on account for a substantial portion of the company's revenue. The company has made expansion plans for a pre-processing facility and a greenfield processing unit at KSEZ, Kakinada, with a projected CAPEX of approximately INR 600 million.

COMPANY'S OUTLOOK AND OPERATIONAL PERFORMANCE:

Despite Covid 19 pandemic FY 2020-21 has been a reasonably steady year for the shrimp business, because of the demand from the United States and other key markets remaining strong. The pricing situation has also remained favourable for Indian shrimp players. India has maintained its position as one of the world's major exporters of shrimp.

Furthermore, due to operational challenges, raw material prices were favourable to the Company, but realisations remained relatively steady. The Company had a strong operational performance in 2020-21 in general, as shown in this Annual Report.

INDIAN OVERVIEW

With an estimated $5 billion in foreign exchange earnings each year, India stays as the third largest shrimp producer of the world. The nation exports 90 percent of its shrimp, with the majority of shipments going to the United States, European Union, China, and Japan. According to economists, the sector employs 1.2 million people across the value chain — from cultivation to processing, retailing, and exporting.

Inter-state and intra-state transportation are critical to India's shrimp industry. Farming, processing and research are centred in various locations. Because of the industry's structure, lockout limitations made it susceptible to labour shortages and market disruptions.

Despite the fact that, Covid-19 and sluggish overseas markets largely affected Andhra Pradesh's seafood industry, which has contributed over 38 per cent of total export revenue in 2020-21. The pandemic severely impacted seafood exports during the first half of the year, but it revived well in the last quarter of 2020-21 as it exported 11,49,341 MT of marine products worth rs 43,717.26 crore (USD 5.96 billion). With its long coastline, India is ideally suited for the development of the seafood industry. The planned development will open up many opportunities for the seafood industry. Overall market consumption has decreased due to the nearly entire shut-down of the restaurant and catering businesses globally though there has been a large increase in retail grocery sales and takeaway delivery since the bulk of the population chooses to stay at home which in-turn affected the shrimp market globally.

GLOBAL OVERVIEW:

Shrimp is one of the most commonly consumed types of shellfish and it has been increasingly popular among seafood lovers in recent years.

The shrimp industry is driven by a number of factors, including increased demand due to the increased health benefits of shrimp, increased adoption of new environmentally friendly production technologies, government contracts and laws. In 2020, the global shrimp market is estimated at $ 18.30 billion and is projected to reach $ 23.4 billion by 2026.

Though the situation was challenging and Covid-19 has adversely impacted aquaculture production across the globe, this sector performed better during this fiscal by contributing 67.99 per cent of exported items in dollar terms and 46.45 per cent in quantity, which is 4.41 per cent and 2.48 per cent higher, respectively when compared to 2019-20. Frozen shrimp contributed 51.36 per cent in quantity and 74.31 per cent of the total dollar earnings. USA remained its largest importer (2,72,041 MT), followed by China (1,01,846 MT), EU (70,133 MT), Japan (40,502 MT), South-East Asia (38,389 MT), and the Middle-East (29,108 MT). However, shrimp exports declined by 9.47 per cent in dollar value and 9.50 per cent in quantity. The overall shrimp export was 5,90,275 MT worth 4,426.19 million dollars. The export of Vannamei (whiteleg) shrimp decreased from 5,12,204 MT to 4,92,271 MT in 2020-21.

56.37 per cent of the total Vannamei shrimp exports in dollar value, was exported to USA, followed by China (15.13 per cent), EU (7.83 per cent), South East Asia (5.76 per cent), Japan (4.96 per cent) and the Middle East (3.59 per cent), it said. Japan, the major market for Black Tiger (Penaeus monodon) shrimp, had a share of 39.68 per cent in dollar terms, followed by USA (26.03

per cent), South-East Asia (9.32 per cent), EU (8.95 per cent), the Middle-East (6.04 per cent) and China (3.76 per cent). Frozen fish, with a share of 16.37 per cent in quantity and 6.75 per cent in dollar earnings, retained the second position in exports basket though its shipments plummeted by 15.76 per cent in quantity and 21.67 per cent in dollar terms.

Around 75% of farmed shrimp is produced in Asia, mostly in China and Thailand and in the Asia Pacific region India is the world's largest exporter among all others. The remaining 25% is produced mostly in Latin America, with Brazil, Ecuador, and Mexico being the biggest producers. Despite the facts, the global shrimp business has faced many challenges, including a reduction in output due to the Covid-19 lockout, which has delayed harvest in the first half of 2020, and overdue pond stockings in most producing nations, which has reduced real farming days.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT ANALYSIS)

5.19%
NET PROFIT MARGIN %

11.00%
RETURN ON NET-WORTH

STRENGTHS

Being one of the leading manufacturers and exporters of an extensive range of Shrimp products, the company exports shrimps in different forms to quality-conscious markets such as U.S.A, Europe, Canada, UAE, Saudi Arabia and Hongkong.

The Company offers a variety of shrimp products that include sea tiger, whites, pink-brown, vannamei and black tiger in both raw and cooked forms. Its product categories include headless shell on, peeled deveined tail on, peeled deveined tail off (PD), pulled vein tail on, peeled undeveined (PUD), shrimp skewers, cooked head-on, cooked headless shrimp, and cooked PD shrimp. The United States, Europe, Canada, United Arab Emirates, Australia, Hong Kong, Korea, China, and Russia are the major markets where the Company exports its products.

And we are also proud to say that the Company's processing plants are U.S. FDA approved and EU and HACCP certified.

The Company operates two processing facilities in a prominent aquaculture zone on the coast of Andhra Pradesh, backed by highly advanced technology that is completely on par with the global standards. The Company aspires to give the best possible client service and satisfaction.

Establishing sustainable business practises in all operations, including CSR, that will aid in the preservation of the world for future generations has been the main commitment of the Company throughout the years. We believe that quality comes first, and we strive to continually enhance our goods and services by investing in cutting-edge research and development and adopting stringent quality control methods.

WEAKNESS

There are fewer EIA-approved testing facilities, and the unit cost of production is expensive. Price fluctuations result in additional storage costs and supply delays. Increased labour costs and demand, a lack of a sanitary auctioning platform, quality ice and packaging, a lack of quality control at key production centres, power supply to aquaculture farms, are some of the fundamental problems of the aqua industry in addition to the lack of an adequate cold storage chain accessible for farmers to keep their harvest, as well as cheap financial help for them.

On the production side, there is a risk of reduced shrimp landings, inefficient logistical moves, and market uncertainty. In addition, a lack of staff at processing plants, a lack of containers at seaports, higher air freight charges, and limited flight availability hampered exports, particularly of high-value chilled items. Another obstacle was the situation in the global market. Additionally, the individual countries' regulations, such as COVID testing on seafood consignments, induced market uncertainty. The closure of the HoReCa (Hotel, Restaurant, and Cafe) segment may potentially have

an impact on demand.

OPPORTUNITIES

After a year of steep decrease, Indian marine exports increased by 41 percent in March, owing primarily to shrimp exports. Significant opportunities for Indian seafood trade include aquaculture growth compensating for declines in sea catch, widespread international acceptance of Indian quality, new market opportunities in the UAE, China, and East Asian countries, ISO/EU/BAP/BRC certified factories, and shipment connectivity to the majority of destinations from India. Because of its extensive coastline, India is ideally positioned to benefit from an increase in global seafood consumption.

THREATS

The Covid-19 could also have an influence on supply chains, as the process from manufacturing to consumption is highly globalised and currently not within the policy reach of a single country. Shrimp is primarily used in hotels and restaurants across the world, but this industry has suffered a hit. Volatility in worldwide shrimp pricing, fluctuating foreign currency rates, US Anti-Dumping Duty, and US Countervailing Duty remain key threats to the business.

In addition, India's shrimp exports fell 14 percent year on year to 575,000 MT in 2020, with the United States, China, and the European Union being the country's key customers. Its raw peeled product sales fell 12% to 21,200 MT last year, but its overall exports of cooked and other value-added goods to the US rose. Ecuador, which increased sales of raw peeled goods by 15,000 MT, compensated for its decrease in output on the worldwide market. Ecuador increased its shipments of mid-sized shrimp to the United States significantly last year, whereas India lost 14 percent of its market share in the United States. Due to the impact of COVID-19 and trading uncertainty created by a border conflict, India's exports to China performed even worse, dropping 35%, or more than 100,000 MT, in 2020.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

OPERATIONAL PERFORMANCE

The financial statements have been prepared in compliance with the requirement of the companies act, 2013 and Indian accounting standards in India. During the year under review, the company reported profit of Rs. 2797.07 Lakhs before tax adjustments as compared to profit of Rs. 4536.92 lakhs before tax adjustment in the previous year.

On standalone basis, the company's revenue decreased by 22% to INR 41052.31 Lakhs during FY 2020-21 from INR 52721.67 Lakhs for the same period ending fy 2019-20. The downfall may be attributed to lock-downs imposed due to Covid-19. The company does not have any other segments.

KEY FINANCIAL RATIOS

[Pursuant to Schedule V (B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]:

Financial Ratio	FY 2020-21	FY 2019-20	% Change	Reasons For Change
Debtors Turnover	12.65	12.24	3.37 (F)	Not a significant change
Inventory Turnover	4.24	5.69	25.43(A)	Due to COVID 19
Interest Coverage Ratio	9.67	8.81	9.76(F)	Not a significant change
Current Ratio	1.47	1.39	5.78(F)	Not a significant change
Debt Equity Ratio	0.72	0.71	0.98(A)	Not a significant change
Operating Profit Margin (%)	14.61%	14.59%	0.13(F)	Not a significant change
Net Profit Margin %	5.19%	6.4%	19.85(A)	Due to COVID 19 and Government policy on withdrawal incentive.
Return on Net worth	11%	21%	47.62(A)	Due to COVID 19 and Government policy on withdrawal incentive.

*F - Favorable
**A - Adverse

GOVERNMENT INITIATIVES:

The governments of the major producing countries have classified the fish industry as a high priority business, which they are now promoting with a variety of tax cuts and incentives. Government bodies in India, for example, such as the MPEDA (Marine Products Exports Development Authority), are supporting shrimp culture through a cluster farming approach, and the recent Government Policy of "Economic Revolution through Blue Revolution" is giving shape to the scheme "Pradhan Mantri Matsya Sampada Yojana" (PMMSY) for fisheries in May 2020, with an investment of more than 20,000 crore. This initiative seeks to increase Indian fish and shrimp production. This plan intends to sustain the aquaculture industry and improve output; it also includes an export strategy to help farmers double their revenue.

Improving productivity is a key objective with the introduction of this new technology to fuel market growth. The state government of Odisha in India has recently unveiled biofloc farming technology in order to enhance intensive aquaculture. The technology seeks to provide jobs to unemployed people, interested farmers, and entrepreneurs who were affected by the pandemic.
As people's lifestyles change and the quest for protein-rich meals drives critical innovations, the aquaculture business will only flourish. The health benefits of a seafood diet, as well as its ability to aid in prevention of disease (Alzheimer's, Cancer, and so on), add value to this food source. The dynamic breakthrough of modern technology in this business, as well as the increase of the retail market, will only hasten the sector's development.

The epidemic, on the other hand, has been difficult for the industry, resulting in some closures, supply chain disruption, a lack of manpower, and import and export bans (among others). However, as rules continue to ease in various places as a result of the vaccine's deployment and a return to economic normalcy, the business is swiftly returning in some areas. Initiatives taken by some governments, such as regulations and strategies to promote aquaculture industry expansion, only serve to pave the way for future development, alongside technological solutions. This expansion will create more chances for important industry participants and farmers in the foreseeable future, making aquaculture a sector to monitor.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company's comprehensive and intricate Internal Control Systems ensure that resources are used and protected efficiently, as well as that policies, procedures, and regulatory requirements are followed. There are well-documented rules, protocols, and processes that are essential components of overall governance, laws, and regulations. All of the primary business procedures of the company are properly interconnected. The Company's internal control systems are effective and adequate in relation to the scale and complexity of its operations. The effectiveness of these is periodically assessed by both statutory and internal auditors. Internal auditing is carried out within the organisation by an independent firm of Chartered Accountants. There is a well-established internal audit framework in place that covers all areas of financial and operational controls across all units, functions, and departments. Internal auditors assess the adequacy, integrity, and dependability of control systems and provide recommendations for improvements. The internal audit team conducts detailed reviews, and any process improvements discovered during the reviews are conveyed to Management on a regular basis. Internal Auditors' significant findings, as well as follow-up activities, are submitted to the Board of Directors' Audit Committee on a regular basis. The Audit Committee is in responsibility of ensuring that the audit recommendations are followed.

HUMAN RESOURCE MANAGEMENT:

Human Resource Management is crucial to the Company's success. Shrimp feed production necessitates specialisation in the purchase of adequate raw materials, feed formulation, and manufacture to meet the needs of shrimp culture, all of which necessitate qualified and trained personnel. Regular training programmes were implemented by the Company to raise employee awareness and improve their skills. Periodic trainings, incentives, increments, and other welfare measures are important to the Company in order to maintain strong labour relations.

As of March 31, 2021, the Company employed 760 people.

For Coastal Corporation Limited

Sd/-	**Sd/-**
T.Valsaraj	**G.V.V.Satyanarayana**
Vice Chairman & Managing Director	*Director (Finance)*
(DIN: 0057558)	(DIN: 00187006)

Place: Visakhapatnam
Date: 10.08.2021

Annexure - 6

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2020-2021

(As required under Regulation 27(2) of the SEBI (lodr) Regulations, 2015)

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate governance is the system of rules, practices, and processes by which a company is directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders, such as shareholders, senior management executives, customers, suppliers, financiers, the government, and the community. It is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct.

The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders, viz., the employees, shareholders, customers, vendors and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant information in an easily understood manner, and by being fair to all stakeholders, by ensuring that the Company's activities are managed by a professionally competent and independent board of directors.

The prime focus of Companies Act, 2013, is on shareholders' democracy, higher transparency and more disclosures, e-governance, investor protection and on Professionals' enhanced role & accountability. The current annual report of your company contains all the information and disclosures which are required to be given under Companies Act, 2013 / Listing Regulations.

This Report, therefore, states compliance as per requirements of the Companies Act, 2013 (hereinafter referred to as 'the act') and SEBI Listing Regulations, as applicable to the Company. In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto (hereinafter referred to as 'SEBI Listing Regulations'), given below are the corporate governance policies and practices of Coastal Corporation Ltd. for the year 2020-21.

2. BOARD OF DIRECTORS

SIZE OF THE BOARD

The composition of Board is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The strength of Board as on 31st March, 2021 is six directors. The Board comprises of Executive and Non-Executive Directors. The managing Director and a Whole-time Director are the two Executive Directors. There are Four Non-Executive Directors, of which three Directors, are Independent Directors and one Non – Executive/ Woman Director.

(a) Composition and Catagory of Directors

As on 31st march, 2021, the strength of the board of Directors is Six (6) and its composition is as follows:

(i) Executive Directors	
Mr. T. Valsaraj	Managing Director – Promoter
Mr. G.V.V.Satyanarayana	Whole-time Director designated as Director-Finance cum CFO
(ii) Non-Executive Director	
Smt Jeeja Valsaraj	Non-Executive Woman Director
(iii)Non- Executive Independent Directors	
Prof. Kamireddi Venkateswara Rao	Independent Director
Mr. M.V. Suryanarayana	Independent Director
Mr. Kalyanaraman P.R	Independent Director

(b) Board Meetings & Related Information:

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

11.07.2020	01.09.2020	12.11.2020	12.01.2021	11.02.2021	18.03.2021	31.03.2021

Every Director has personally attended at least one Board/Committee of Directors' Meeting in the financial year 2020-2021. Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company in accordance with Section 149 of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 as on 31.03.2021	No. of Committee Membership in other public Companies as on 31.03.2021	
		Held	Attended			Member	Chairman
Sri T. Valsaraj (DIN No. 00057558)	Managing Director	7	7	Present	–	–	–
Sri G.V.V.Satyanarayana (DIN No. 00187006)	Whole time Director	7	7	Present	–	–	–
Smt Jeeja Valsaraj (DIN No. 01064411)	Non- Executive Women Director	7	7	Present	–	–	–
Sri. Kalyanaraman P.R (DIN No.01993027)	Independent Director	7	7	Present	3	4	3
Sri K. Venkateswara Rao (DIN No. 01678973)	Independent Director	7	7	Present	–	–	–
Sri M.V.Suryanarayana (DIN No. 00372812)	Independent Director	7	7	Present	–	–	–

In terms of Schedule V (C) (2) (e) and Regulation 36 (3) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, none of the Directors are related to each other except Mrs. Jeeja Valsaraj, wife of Mr. T.Valsaraj, Vice Chairman & Managing Director of the Company.

The Company has issued convertible equity share warrants to Mr. T. Valsaraj and Mrs. Jeeja Valsaraj. None of the existing independent Directors resigned from their office during the year under review.

Disclosure of Shareholding of Non-Executive Directors:

Shareholding of the Directors as on 31.03.2021

(Own or held by/for other persons on a beneficial basis)

Mrs. Jeeja Valsaraj	1,99,200 Equity Shares & 1,75,000 Warrants convertible into Equity Shares
Mr. M.V.Suryanarayana	Nil
Mr. Kalyanaraman P.R	Nil
Mr. K. Venkateswara Rao	Nil

Director seeking re-appointment at this Annual General Meeting.

Orientation of newly elected directors and updating strategy

Newly elected directors are apprised on the functioning of the Company, the directors are intimated of the changes as and when they happen.

Access to information

The Directors, including independent directors, visit the various manufacturing locations of the Company. They are not necessarily accompanied by the Managing Director. The purpose is to ensure that the independent directors have free and independent access to the Company's officials and records, so that they can form an independent opinion about the state of affairs of the Company. Apart from this, reports of the audit carried out by the internal auditors and the statutory auditors are circulated to all the directors. It is ensured that the Board receives qualitative and quantitative information in line with the best management practices adopted. All the relevant information such as production, sales, exports, financial results, capital expenditure proposals and statutory dues, among others, are as a matter of routine, placed before the Board for its approval/information.

Code of Conduct for Board of Directors and Senior Management

The Company has adopted a Code of Conduct for Board of Directors and Senior Management (the Code). The Code has been communicated to the Directors and the members of Senior Management. The Code has also been posted on the Company's web-site at www.coastalcorp.co.in. All Board members and senior management have confirmed compliance with the Code for the year ended 31st March, 2021. The Annual Report contains a declaration to this effect signed by the Managing Director.

Expertise of Board of Directors

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's aforesaid business(es) for it to function effectively:

i) **Sales & Marketing:** Experience in sales and marketing management based on understanding of the consumer & consumer goods industry
ii) **International Business experience:** Experience in leading businesses in different geographies/markets around the world
iii) **General management/Governance:** Strategic thinking, decision making and protect interest of all stakeholders
iv) **Financial skills:** Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc.
v) **Technical skills and professional skills** and knowledge including legal and regulatory aspects.

The following table summarizes the key skills, expertise and competence as mentioned above that the Board thinks are necessary for proper functioning in the context of the Company's business and industry and the Directors who possess the same:

Name of the Director	Sales & Marketing	International Business Experience	General Management/ Governance	Financial Skills	Technical Skills
Sri T. Valsaraj (DIN No. 00057558)	√	√	√	√	√
Sri G.V.V.Satyanarayana (DIN No. 00187006)	√	√	√	√	√
Smt Jeeja Valsaraj (DIN No. 01064411)	√	√	√	-	-
Sri. Kalyanaraman P.R (DIN No.01993027)	-	√	√	√	√
Sri K. Venkateswara Rao (DIN No. 01678973)	-	√	√	-	√
Sri M.V.Suryanarayana (DIN No. 00372812)	-	√	√	√	√

COMMITTEES:

The Board has constituted various Committees with specific terms of reference in line with the provisions of the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder. The Board periodically reviews the composition and terms of reference of its Committees in order to comply with any amendments/modifications to the provisions relating to composition of Committees under the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder.

The number of directorships and the positions held on Board Committees by the directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations as on 31st. March, 2021.

(i) AUDIT COMMITTEE:

The Audit Committee comprises of the following 3 (Three) Directors as members:

Mr. M.V.Suryanarayana, Mrs. Jeeja Valsaraj and Mr. Kalyanaraman P.R.
Mr. Kalyanaraman P.R, Non-Executive Independent Director, is the Chairman of the Audit Committee.

The Audit Committee acts in accordance with the terms of reference specified by the Board which includes the recommendation for appointment, remuneration and terms of appointment of auditors of the Company, review and monitor the auditor's independence and performance and effectiveness of the audit process, examination of the financial statements and the auditor's report thereon, approval or any subsequent modification of transactions of the Company with related parties, scrutiny of inter-corporate loans, guarantee and investments, valuation of undertakings or assets of the Company wherever it is necessary, evaluation of internal financial controls and risk management systems, monitoring the end use of funds raised through public offers and related matters. All the members of the Audit Committee are Non-Executive and Independent Directors. Mr. Kalyanaraman P.R. is the Chairman of the Audit Committee. During the period under review, Five(5) meetings of the Audit committee were held on 11.07.2020,01.09.2020,12.11.2020,12.01.2021,11.02.2021, 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
1	Mr. Kalyanaraman	Chairman	Independent Director	5
2	Mr. M.V. Suryanarayana	Member	Independent Director	5
3	Mrs. Jeeja Valsaraj	Member	Director	5

The terms of reference of the Audit Committee are as outlined in the Act, and the Listing Regulations.

Besides this, another meeting of the Audit Committee was held on 29.06.2021, the meeting at which the Audited Annual Accounts for the year ended 31st March, 2021, were placed before the Committee for consideration. The representatives of the Statutory Auditors also attend the Audit Committee meetings. The Internal Auditors report directly to the Audit Committee.

(ii) NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration committee comprises of the following 3 (Three) Directors as members:

Mr. M.V.Suryanarayana, Mrs. Jeeja Valsaraj and Mr. Kalyanaraman P.R.
Mr. M.V.Suryanarayana, Non-Executive Independent Director, is the Chairman of the Nomination and Remuneration committee.

The terms of reference of the Nomination & Remuneration Committee are:

i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees,
ii. formulation of criteria for evaluation of Independent Directors and the Board,
iii. devising a policy on Board diversity,
iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

All the members of the Nomination and Remuneration Committee are Non-Executive and Independent Directors.
The Company has adopted a policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company.

Mr. M.V.Suryanarayana, the Chairman of the Nomination & Remuneration Committee, was present at the last Annual General Meeting held on 29th September, 2020.

During the year 2020-21, (3)three meeting of the Nomination & Remuneration Committee were held on 11.07.2020, 01.09.2020, 12.01.2021.

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
1	Mr. M.V.Suryanarayana	Chairman	Independent Director	3
2	Mr. Kalyanaraman P.R	Member	Independent Director	3
3	Mrs. Jeeja Valsaraj	Member	Director	3

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

Each Independent Director's performance was evaluated as required by Schedule IV of the Companies Act, 2013 having regard to the following criteria of evaluation viz. **(i)** qualification, **(ii)** experience, **(iii)** availability and attendance, **(iv)** integrity, **(v)** commitment, **(vi)** governance, **(vii)** independence, **(viii)** communication, **(ix)** preparedness, **(x)** participation and **(xi)** value addition.

In the opinion of the Board, the Independent Directors fulfill the conditions of independence as specified in Regulation 16 of the Listing Regulations along with section 149(6) of the Companies act, 2013; and are independent of the management of the Company.

Remuneration policy:

The objective of the policy is to have a compensation framework that will reward and retain talent. The remuneration will be such as to ensure that the correlation of remuneration to performance is clear and meets appropriate performance benchmarks. Remuneration to Key Managerial Personnel, Senior Management and other employees will involve a balance between fixed and variable pay reflecting short and long term performance objectives of the employees in line with the working of the Company and its goals.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component as a % of NET profits) to its Managing Director and the Whole Time Director.

The Non-Executive Directors are also paid sitting fees for attending the meetings of the Board within the limits prescribed under the Companies act as approved by the Board. Apart from the sitting fees paid by the Company, the Non-Executive Directors other than Mrs. Jeeja Valsaraj, in their individual capacity, did not have any pecuniary relationship or transactions with the Company during the financial year 2020-21.

The details of remuneration (including perquisites and allowances) as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors, for FY 2020-21 are as follows:

Name of the Director	Designation	Remuneration Rs.
Sri T.Valsaraj	Vice Chairman & Managing Director	Rs. 2,75,000/- P.M from 01.04.2020 to 31.03.2021 + 2.5% as a % of Net Profits
Sri G.V.V.Satyanarayana	Whole-time Director	Rs. 1,75,000/- P.M from 01.04.2020 to 31.03.2021 + 1.25% as a % of Net Profits

(iii) STAKEHOLDER RELATIONSHIP COMMITTEE:

As required under Section 178(5) of the Act and Regulation 20 of the Listing Regulations, the Company has constituted Stakeholders Relationship Committee.

The Stakeholders Relationship Committee comprises of the following 3 (Three) Directors as members:

Smt. Jeeja Valsaraj, Sri G.V.V.Satyanarayana (Resigned w.e.f 11.02.2021), Sri. Kamireddi Venkateswara Rao, Sri. M.V. Suryanarayana(appointed w.e.f. 11.02.2021).

Mrs. Jeeja Valsaraj, Non-Executive Director, is the Chairperson of the Stakeholders' Relationship Committee.

Stakeholders Relationship Committee looks into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of notices/annual reports etc.

Status of Complaints:

No. of complaints received during the year	4
No. of complaints resolved during the year	2
No. of complaints pending at the end of the year	2

*The complaints were resolved in the subsequent quarter

Normally all complaints/queries are disposed of expeditiously. The Company had no complaints pending at the close of the financial year. The Committee reviews the security transfers/transmissions, process of de-materialization and the investors' grievances and the systems dealing with these issues.

The Committee considers and resolves the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends. The Committee attends to share-transfer formalities every fortnight and all other matters incidental or related to shares.

As mandated by SEBI, the quarterly Reconciliation of Share Capital Audit, highlighting the reconciliation of total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-à-vis the total issued and listed capital is being carried out by a Practicing Company Secretary. This Audit confirms that the total issued and paid up capital is in agreement with the total number of shares held in physical and de-materialized form with NSDL and CDSL.

As on 31st March, 2021, 91,62,463 Equity Shares of Rs. 10/- each representing 90.10% of the total no. of shares are in de-materialized form. During the period 6 (Six) meetings of the committee were held on 09.06.2020, 10.07.2020, 11.11.2020, 29.12.2020, 10.02.2021, 30.03.2021 respectively.

The details of the Committee meetings attended by the Members are given below:

Sl. No.	Name of the Director	Designation	Category	No. of Stakeholders Relationship Committee meetings attended
1	Mrs. Jeeja Valsaraj	Chairperson	Director	6
2	Mr. K. Venkateswara Rao.	Member	Independent Director	4
3	Mr. G.V.V.Satyanarayana (resigned w.e.f. 11.02.2021)	Member	Whole Time Director designated as Director – Finance Cum CFO	5
4	Mr. M.V. Suryanarayana (appointed w.e.f. 11.02.2021)	Member	Independent Director	Nil

The Stakeholders Relationship Committee received and reviewed the Complaints received from the investors of the Company during the period 2020-21.

Independent Directors' Meeting

Pursuant to the provisions of Section 149 of the Companies Act, 2013, the Independent Directors of the Company have been appointed for a period of 5 years.

Separate meeting of Independent Directors:

Schedule IV to the Act, inter alia, prescribes that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of management. Pursuant to the Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Act, during the year, one meeting of Independent Directors was held on February 11, 2021. All the Independent Directors attended the Meeting.

At the meeting of Independent Directors, the following items were discussed:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.

- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Name, Designation and Address of Compliance Officer:

Ms. Swaroopa Meruva
Company Secretary & Compliance Officer
15-1-37/3, Jayaprada Apartments, Nowroji Road
Maharanipeta, Visakhapatnam – 530 002
Andhra Pradesh, India

(iv) CSR COMMITTEE:

The CSR Committee comprises of the following 3 Directors as Members:
Sri. G.V.V. Satyanarayana (resigned w.e.f 11.02.2021), Sri. Kalyanaraman P.R(appointed w.e.f. 11.02.2021) Sri. K. Venkateswara Rao, Smt. Jeeja Valsaraj (appointed w.e.f. 11.02.2021) is the Chairman of CSR Committee.

During the period, 3 (Three) meetings of the committee were held on 10.07.2020, 04.11.2020 and 10.02.2021.

The Committee meetings attended by the Members are given below:

Sl. No.	Name of the Director	Designation	Category	No. of CSR Committee meetings attended
1	Mr. G.V.V. Satyanarayana (resigned w.e.f 11.02.2021)	Chairman	Whole Time Director designated as Director – Finance Cum CFO	3
2	Mrs. Jeeja Valsaraj (appointed w.e.f. 11.02.2021)	Chairperson	Non-Executive-Director	3
3	Mr. K. Venkateswara Rao	Member	Independent Director	2
4	Mr. kalyanaraman P.R (appointed w.e.f. 11.02.2021)	Member	Independent Director	Nil

PREVENTION OF INSIDER TRADING

The company has adopted a code of conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

FAMILIARIZATION PROGRAMME FOR BOARD MEMBERS

A formal familiarization programme was conducted about the amendments in the Companies act, 2013, Rules prescribed there-under, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the company. It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations")., the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the

evaluation of the working of its Audit, Nomination and Remuneration and Compliance committees. The performance evaluation of the Independent Directors was carried out by the entire Board.
The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

(v) GENERAL BODY MEETINGS:

- Location and time where last three AGMs held:

Year	Date	Special Resolution	Time	Location
2019-20	29.09.2020	3 Special Resolutions Passed	10.00AM	Video Conferencing (VC/OAVM)
2018-19	31.08.2019	3 Special Resolutions Passed	10.30AM	Hotel Daspalla "Vedika" Jagadamba,Visakhapatnam
2017-18	11.09.2018	Not Passed	10.30AM	D.No.6-42, Marikavalasa, Besides Toyota Showroom, Visakhapatnam-530 041, Andhra Pradesh, India

Details of resolutions passed through postal ballot during Financial Year 2020-21 and details of the voting pattern

The Company sought the approval of shareholders through notice of postal ballot dated November 12, 2020 for taking approval for increasing the limits of borrowing by the Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013 and seeking approval under Section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) of the Company by way of special resolutions. The aforesaid resolutions were duly passed on December 19, 2020 and results of postal ballot/e-voting were announced on December 21, 2020. Mr. Sambhu Prasad, Practicing Company Secretary (CP No. 11723) Mem. No. F8795, were appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

Resolution	No. of votes polled	No. of votes caste in favour	No. of votes caste against	% of Votes Cast in Favour on Votes Polled	% of Votes Cast Against on Votes polled
Approval for increasing the limits of borrowing by the Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013	6877249	6877008	241	100%	0%
Approval under Section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) of the Company	6877249	6876918	331	100%	0%

Procedure for postal ballot

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The Shareholders are provided the facility to vote either by physical ballot or through e-voting. The postal ballot notice is sent to shareholders as per the permitted mode wherever applicable. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

Shareholders holding equity shares as on the cut-off date may cast their votes through e-voting or through postal ballot during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman and the results of voting by postal ballot are announced within 2 working days of conclusion of the voting period.

The results are displayed on the website of the company (www.coastalcorp.co.in), and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting.

In view of the covid-19 pandemic, the MCA permitted companies to transact items through postal ballot as per the framework set out in circular no. 14/2020 dated April 8, 2020, circular no. 17/2020 dated April 13, 2020, the general circular no. 22/2020 dated June 15, 2020, circular no. 33/2020 dated September 28, 2020. In accordance with the aforementioned circulars, e-voting facility was provided to all the shareholders to cast their votes only through the remote e-voting process as per notice of postal ballot dated November 12, 2020 for seeking approval above mentioned purposes.

EXTRA-ORDINARY GENERAL MEETING DURING THE PERIOD (2020-21):

During the year under review, EGM was conducted on 11th February, 2021 for the following purposes:

1. Issue of Convertible Equity Warrants on Preferential Basis to Promoter and Promoter Group
2. Grant of Employee Stock Options to Employees of the Company
3. Grant of Employee Stock Options to employees of the Subsidiaries

(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:

All transactions entered into with the related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, during the financial year were in the ordinary course of business and on arm's length basis and do not attract provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year that may have potential conflict with the interests of the Company at large.

Related party transactions have been disclosed in note 44 to the financial statements. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit Committee for its review. Omnibus approval was obtained for transactions which were repetitive in nature. Transactions entered into pursuant to omnibus approval were placed before the audit Committee for its review during the year. The Company has a related party transaction policy in place, which has been posted on the website of the company.

b) The company has complied with the requirements of the stock exchanges, SEBI and statutory authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the company by these authorities.

c) In accordance with the requirements of the Act, read with listing regulations, the company has a whistle blower policy approved by the board of Directors. The objectives of the policy are:

i) To provide a mechanism for employees and Directors of the Company and other persons dealing with the Company

to report to the Audit Committee, any instances of unethical behavior, actual or suspected fraud or violation of the Company's ethics policy;

ii) To safeguard the confidentiality and interest of such employees / directors / other persons dealing with the Company against victimization, who notice and report any unethical or improper practices; and

iii) To appropriately communicate the existence of such mechanism, within the organization and to outsiders.

Whistle Blower policy is available on website of the Company at www.coastalcorp.co.in
The Company confirms that no personnel has been denied access to the Audit Committee pursuant to the whistle blower mechanism.

d) The Company has complied with all the mandatory disclosure requirements under the Listing Regulations, so far as applicable to the Company and also put efforts to make the Non-Mandatory Disclosures to the extent they arise and are considered significant.

e) The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 33(2)(a) of SEBI Listing Regulations pertaining to CEO/CFO certification for the Financial Year ended 31st March, 2021.

f) The Company does not have any Material Subsidiary as defined under Regulation 16 of SEBI Listing Regulations. It is, therefore, not required to have an independent director of the company on the board of such subsidiary. The policy on determining "material" subsidiaries can be viewed at: www.coastalcorp.co.in.

g) Audit qualifications: During the year under review, there was no audit qualification on your Company's financial statements.

h) Reporting of Internal Auditor: The Internal auditor may report directly to the audit committee.

i) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Status of Complaints:

No. of complaints received during the year	0
No. of complaints resolved during the year	0
No. of complaints pending at the end of the year	Nil

j) Credit Rating

The Company sustained its good financial health with a sizeable treasury income. The Company has maintained its credit rating at 'CARE CRISIL BBB', indicating moderate degree of safety with respect to timely servicing of financial obligations and moderate credit risk, for borrowings with tenure of more than one year. The rating for short term facilities of tenure less than one year, has also been maintained at 'CARE CRISIL BBB',

k) The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated 15th November,2018 is not required to be given.

l) The Company has raised funds through preferential allotment of Convertible Share Warrants to Promoters & Promoter Group as specified under Regulation 32 (7A) of the Listing Regulations.

m) A certificate from M/s. Sambhu Prasad M & Associates., Company Secretaries, as to the Directors of the Company not being debarred or disqualified is enclosed herewith as an '**Annexure-7**'.

n) In terms of the amendments made to the Listing Regulations, the Board of Directors confirms that during the year, it has accepted all recommendations received from its mandatory committees.

o) During 2020-2021, the total fees for all services paid by the Company and its subsidiaries, on a consolidated basis to the Statutory Auditors, – Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand Only)

p) In terms of the amendments made to the SEBI Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from its mandatory committees.

q) The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(viii) MEANS OF COMMUNICATION:

The Quarterly results, intimation of Board Meetings date, Record Date, Book Closure of the Company are displayed on the BSE websites through BSE Listing Centre and published in the newspapers (Business Standard & Andhra Prabha) within 48hrs from the conclusion of the Board meeting.

Financial results and other information are displayed in the Investor Relations section on the company's Website: www.coastalcorp.co.in.

(ix) GENERAL SHAREHOLDERS INFORMATION:

i) Fortieth Annual General Meeting of the Company:

Date & Time	30.09.2021 & 10.00AM
Venue	AGM through Video Conferencing/ OAVM

i)	Financial Year	1st April to 31st March.	
ii)	Financial Calendar(Tentative)	**Period**	**Approval of Quarterly Results**
		1st Quarter ending 30.06.2021	2nd week of August, 2021
		2nd Quarter and half year ending 30.09.2021	2nd week of November, 2021
		3rd Quarter ending 31.12. 2021	2nd week of February, 2022
		4th Quarter ending 31.03. 2022	Last week of May, 2022
iii)	Date of Book Closure	24.09.2021 to 30.09.2021	
iv)	Dividend Payable Date	Within 30 days from the date of declaration	
v)	Listing on Stock Exchanges	Bombay Stock Exchange	
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 for the Financial Year 2021	High- Rs. 286/- Low- Rs. 149.20/-	
viii)	Stock Code BSE ISIN(for Dematerialization)	Scrip ID : coastcorp - Scrip code : 501831 INE377E01016	
ix)	CIN No	L63040AP1981PLC003047	
x)	Board Meeting for consideration of Accounts for the financial year ended March 31, 2021	29th June,2021	
xi)	Credit Rating	CRISIL Rating - "BBB"	

The Listing fees for the year 2021-22 has been paid to Bombay Stock Exchange

(xi) Share Transfer System:

SEBI has amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed companies from accepting request for transfer of securities which are held in physical form, with effect from April 1, 2019. The shareholders who continue to hold shares and other types of securities of listed companies in physical form even after this date, will not be able to lodge the shares with company / its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the listed companies / their RTAs.

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 de-materialized shares held with CDSL & NSDL, is placed before the Board on a quarterly basis. A copy of the Audit Report is submitted to the Stock Exchanges.

(xii) Contact Information:

As a Coastal Corporation Limited Shareholder - You are encouraged to contact the Registrar for all your shares related services and queries whose address is given below:

Name of the Registrar and Share Transfer Agent	Bigshare Services Private Limited, Mumbai
Head Office	E 2 & E3, Ansa Industrial Estate Saki-vihar Road, Sakinaka, Andheri(E), MUMBAI – 400 072 Telephone No. : 022 – 40430200; Fax : 022 – 28475207 For Business relation : marketing@bigshareonline.com For Investor Query /Grievances: investor@bigshareonline.com
Branch Office	Bigshare Services Private Limited 306, Right wing, Amrutha Ville, Opp: Yashodha Hospital Somajiguda, Raj Bhavan Road Hyderabad – 500 082 Telephone No : 040 – 2337 4967; Fax : 040 – 2337 0295 Email : bsshyd@bigshareonline.com

Registered Office of the Company

i)	**Address for Correspondence**	Registered Office : 15-1-37/3, Jayaprada Apartments, Nowroji Road, Maharanipeta, Visakhapatnam – 530 002 Andhra Pradesh- India.

Plant Locations:

The Company has two existing Plants located in Visakhapatnam District, Andhra Pradesh, India, the addresses of which are as follows:

(a) Marikavalasa(V), Paradesipalem Panchayat, Visakhapatnam dist.
(b) P. Dharmavaram Village, S.Rayavaram Mandal, Visakhapatnam Dist

Sl. No.	Category	As at 31st March'2021	
		No. of Shares	% of Total No. of Shares
1	Promoters	38,57,390	36.12
2	Body Corporates	1,74,830	1.64
3	NRIs	26,04,957	24.40
4	Indian Public	40,27,307	37.71
5	Clearing Members	13,416	0.13
	Total	**1,06,78,800**	**100.00%**

(xiii) De-materialization of Equity Shares and Liquidity:

The Company's Equity Shares are listed on Bombay Stock Exchange with a view to provide liquidity to the Shareholders. The Company's Equity Shares can be de-materialized.

The MOU with CDSL & NSDL for De-materialization 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.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE377E01016.

(xiv) Dividend Policy:

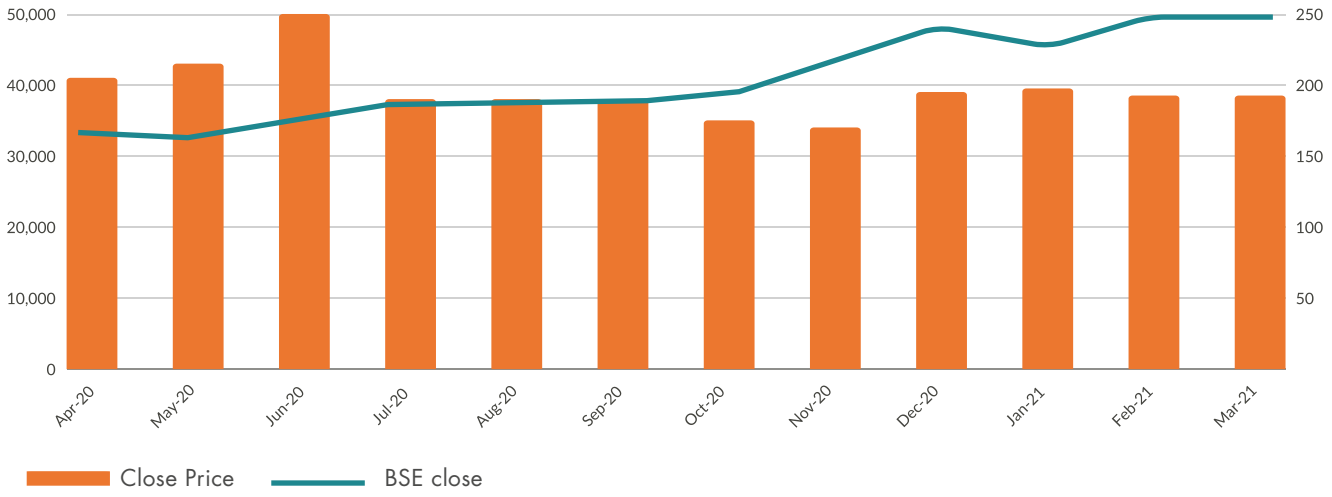
Dividends, other than interim dividend(s), are to be declared at the annual general meeting of shareholders based on the recommendation of the Board of Directors. Generally, the factors that may be considered by the Board of Directors before making any recommendations for dividend include, without limitation, the Company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions.

(xv) Market Price data- high, low, close during each month in last Financial Year:

Month	High Price	Low Price	Close Price	No. .of Shares traded	BSE close
Apr-20	219.65	149.2	208.7	19,779	33,717.62
May-20	232	187.85	217.35	56,800	32,424.1
Jun-20	286	210	251.85	3,01,959	34,915.8
Jul-20	290	190.6	192.95	4,00,125	37,606.89
Aug-20	218	190	193.5	1,02,223	38,628.29
Sep-20	207	180.25	192.3	42,027	38,067.93
Oct-20	199.6	164	170	69,324	39,614.07
Nov-20	193.8	160	166.25	1,76,094	44,149.72
Dec-20	188.9	165	175.6	2,48,319	47,751.33
Jan-21	198.7	162.5	180.5	3,79,690	46,285.77
Feb-21	208.95	168.1	171.05	1,94,025	49,099.99
Mar-21	185	165	171	1,47,346	49,509.15

Price Movement Graph

2020-2021



(xvi) Outstanding GDRs or ADRs or warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

(xvii) Commodity price risk or foreign exchange risk and hedging activities:

Please refer Management Discussion Analysis.

(xviii) Distribution of Shareholding as on 31.03.2021:

Shareholding	No. of Shareholders	% of Total	Share Amount (Rs.)	% of Total
1 to 5000	2222	65.3529	2018490	1.9850
5001 to 10000	654	19.2353	5164110	5.0784
10001 to 20000	265	7.7941	4138120	4.0694
20001 to 30000	68	2.0000	1683340	1.6554
30001 to 40000	74	2.1765	2825840	2.7789
40001 to 50000	13	0.3824	604330	0.5943
50001 to 100000	36	1.0588	2689840	2.6452
100001 to 999999999	68	2.0000	82563930	81.1934
Total:	**3400**	**100**	**101688000**	**100**

(xix) CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT:

The Board of Directors, has laid down the Code of Conduct for all the Board Members and members of the senior management. A certificate from the Managing Director, affirming compliance of the said Code by all the Board Members and members of the senior management to whom the Code is applicable, is annexed separately to this Report.

(xx) CEO / CFO CERTIFICATION:

The Managing Director and the Chief Financial Officer of the Company give annual certification on Financial reporting and internal controls and certification on Financial Results to the Board in terms of Listing Regulations.

For Coastal Corporation Limited

Sd/-
T.Valsaraj
Vice Chairman & Managing Director

Date: 10.08.2021
Place: Visakhapatnam

Annexure to Corporate Governance Report of COASTAL CORPORATION LIMITED

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with Code of Conduct for the year ended March 31, 2020.

For Coastal Corporation Limited

Sd/-
T.Valsaraj
Vice Chairman & Managing Director

Date: 10.08.2021
Place: Visakhapatnam

COMPLIANCE CERTIFICATE
MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

We, T.Valsaraj, Vice Chairman & Managing Director and G.V.V.Satyanarayana, Chief Financial Officer, to the best of our knowledge and belief, certify that:

a. We have reviewed the financial statements including cash flow statement (standalone and consolidated) for the financial year ended March 31, 2021 and to the best of our knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;

ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.

d. We have indicated to the auditors and the Audit Committee:

i. Significant changes in the internal control over financial reporting during the year;

ii. Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii. That there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Coastal Corporation Limited

	Sd/-	**Sd/-**
Place: Visakhapatnam	**T.Valsaraj**	**G.V.V.Satyanarayana**
Date:10.08.2021	Vice Chairman & Managing Director	Director (Finance)

Annexure – 7

CERTIFICATE RELATING TO NON-DISQUALIFICATION OF DIRECTORS

To,
The Members,
Coastal Corporation Limited,
15-1-37/3, Nowroji Road,
Jayapradha Apartments,
Mharanipeta, Visakhapatnam,
Andhra Pradesh 530002.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **COASTAL CORPORATION LIMITED** having **CIN L63040AP1981PLC003047** and having registered office at 15-1-37/3, Nowroji Road, Jayapradha Apartments, Mharanipeta, Visakhapatnam, Andhra Pradesh 530002 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

TABLE-A

Sl. No.	NAME OF DIRECTOR	DIN
1)	Mr. Valsaraj Thottoli	00057558
2)	Mr. Ganta Satyanarayana Veeravenkata	00187006
3)	Mr. Venkata Suryanarayana Malakapalli	00372812
4)	Mrs. Jeeja Valsaraj	01064411
5)	Mr. Venkateswara Rao Kamireddi	01678973
6)	Mr. Pandithacholanaloor Ramaswamy Kalyanaraman	01993027

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company.

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sambhu Prasad M & Associates
Practicing Company Secretaries
Sd/-
Sambhu Prasad.M
FCS No. 8795
C.P. No. 11723
UDIN: F008795C000763331

Place: Visakhapatnam
Date: 10.08.2021

Annexure-8

CERTIFICATE ON CORPORATE GOVERNANCE

Corporate Identity Number: L63040AP1981PLC003047
Nominal Capital: 1067.88 Lakhs

To
The Members of
Coastal Corporation Limited

We have examined the compliance of the conditions of Corporate Governance by Coastal Corporation Limited ('the Company') for the year ended on March 31, 2021, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.

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

For Sambhu Prasad M & Associates
Practicing Company Secretaries
Sd/-
Sambhu Prasad.M
FCS No. 8795
C.P. No. 11723
UDIN: F008795C000763197

Place: Visakhapatnam
Date: 10.08.2021

Annexure-9

THE ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED 31ST DAY OF MARCH, 2021

[Pursuant to Section 135 of the Act & Rules made thereunder]

1. Brief outline on CSR Policy of the Company.

The CSR activities we pursue will be in line with our policy and Mission focused around our plants and offices, but also in other geographies based on the needs of the communities. By prioritizing focus on education, skilling, entrepreneurship and employment it seeks to help people and communities bridge the opportunity gap. The Company also supports health, wellness, water, sanitation and hygiene needs of communities, especially those that are marginalized.

The Company also supports conservation and relief efforts to communities at the time of natural and man-made disasters. Its focus is on applying its resources towards communities that need it the most and ensures equitable access. The Company's CSR strategy incorporates an inclusive approach into the design of every program. The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1)	Mr.G.V.V.Satyanarayana	Chairman (resigned w.e.f 11.02.2021 from the Committee)	3	3
2)	Mrs. Jeeja Valsaraj	Chairperson (Appointed w.e.f. 11.02.2021)	3	3
3)	Mr. K. Venkateswara Rao	Member	3	2
4)	Mr. Kalyanaraman P.R	Member (Appointed w.e.f. 11.02.2021)	Nil	Nil

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.coastalcorp.co.in

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - **NIL**

Distribution of food - Eradicating hunger & poverty

6. Average net profit of the company as per section 135(5): Rs. 502.42 Cr

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 1.0048 Cr
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – NIL
(c) Amount required to be set off for the financial year, if any – NIL
(d) Total CSR obligation for the financial year (7a+7b- 7c): 1.0048 Cr

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs. Lakhs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (Rs. in Lakhs)	Date of transfer.	Name of the Fund	Amount (Rs. in Lakhs)	Date of transfer.
164.47	129	30th April, 2021	NA	NA	NA

Distribution of food under CSR Initiative - Eradicating hunger & poverty

Skill Development Training to Women -Women empowerment

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

Sl No	Name of the Project	Item from the list of activ-ities in Sche-dule VII to the Act	Local area (Yes / No).	Location of the project		Project dura-tion	Amount allocated for the project (in Rs. In Lakhs)	Amount spent in the current financial year (in Rs. In Lakhs)	Amount transferred to Unspent CSR Ac-count for the pro-ject as per Section 135(6) (in Rs.)	Mode of Im-plementation-Direct (Yes / No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Women empower-ment - Through skills training towards eco-nomic support and self reliance.	Women Em-powerment	No	AP	Guntur	1 year	100	50	50	No	Arunodaya Trust	NA
2	Health, Poverty & Eradication of Hunger - oldage homes/or-phan homes/free cov-id/medical camps/ food distribution	Health, overty & Eradication of Hunger	No	AP	Guntur	1 year	74.2	20	54.2	No	Suraksha Old age and Health Society	NA
3	Eradicating hunger & Poverty Livelihood - Providing Breakfast to the Govt schools situ-ated around factory premises	Eradicating hunger & Poverty Liveli-hood	Yes	AP	Visakhapatnam	2 years	17	3	14	No	Touch Stone Charities (Akshayapatra)	NA
4	Rehabilitation of Un-derprivileged and handicapped children for a year	Rehabilitation of Underpriviv-leged	Yes	AP	Vizianagaram	3 years	16.2	5.4	10.8	No	M/s Association Saikorian - Campus Chal-lange	NA
	TOTAL						**207.4**	**78.4**	**129**			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Name of the Project	Item from the list of Activities in schedule VII to the Act.	Local Area (Yes/No).	Location of the project		Amount spent in the current financial year (in Rs. In Lakhs)	Mode of Implementation-Direct (Yes /No)	Mode of Implementation – Through Implementing Agency	
			State	District			Name	CSR Registration number
Health Care - Medical & Health on present issues Pandemic COVID 19	Medical & Health on present issues Pandemic COVID 19	No	AP	Guntur	20	No	Global Helping Hands INC	NA
PM Relief Fund - COVID 19 Relief	PM Relief Fund	No	NA	NA	20	YES	NA	NA
Eradicating hunger - Distribution of Vegetables around factory premises during lock down	Eradicating hunger	Yes	AP	YELAMANCHILI	14.06	YES	NA	NA
Health Care-Purchase of Ambulances(Varun Motors) Repairs & Maintanence	Diesel charges and road tax charges for ambulance -Purchase of Health Care Equipments - Humidifier & oxygen Machine	Yes	AP	YELAMANCHILI	7.53	YES	NA	NA
Sanitization	Purchase of Bottle Crusher	Yes	AP	Visakhapatnam	4.48	YES	NA	NA
Public Library - Construction of Public Library	Construction of Public Library	Yes	AP	Visakhapatnam	20	YES	Alluri Sitaramaraju Vignana Kendram	NA
Total					**86.07**			

Distribution of Oxygen Concentrators during COVID 2nd wave

(d) Amount spent in Administrative Overheads: NIL
(e) Amount spent on Impact Assessment, if applicable: NIL
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)
(g) Excess amount for set off, if any: NIL

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 1.0048 Cr
(ii)	Total amount spent for the Financial Year	Rs. 164.47 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

(a) Details of Unspent CSR amount for the preceding three financial years: **(Rs. in Lakhs)**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs. Lakhs) (Cumulative Amt.)
				Name of the Fund	Amount	Date of transfer	
(i)	2017-18	129	Total Amount spent during the Financial Year 2020-21 was Rs. 164.46 Lakhs	NA	NA	NA	61.46
(ii)	2018-19			NA	NA	NA	109.34
(iii)	2019-20			NA	NA	NA	192.33

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NIL**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year
(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s) :
Purchase of Ambulance; 18-12-2020 (dt. of registration)

(b) Amount of CSR spent for creation or acquisition of capital asset :
Rs. 4,92,522/-

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc :
Coastal Corporation Limited

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):
Model: Maruthi EECO STR AC; Vehicle No. AP39TP9289; Location & Address: Unit II P.Dharmavaram Village, S.Rayavaram Mandal, Yelamanchili

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):
The unspent amount was due to the ongoing projects of the Company.

	Sd/-	**Sd/-**
	T.Valsaraj	**Mrs. Jeeja Valsaraj**
Place: Visakhapatnam	Vice Chairman & Managing Director	Chairperson, CSR Committee
Date:10.08.2021	DIN: 00057558	DIN: 1064411

Annexure-10

DIRECTORS' PROFILE

Mr. Emandi Sankara Rao - Chairman (Independent & Non-Executive)

Mr. Emandi Sankara Rao as a Chairman (Independent & Non-Executive) has an experience of about three decades and contributed immensely to the areas of banking in industry & infrastructure finance. His association with IDBI Bank, IDFC and subsequently with IIFCL have been well recognised by these financial mammoths of the Indian Economy. He has extensive experience in Project & Corporate Finance, Fund Management, Investment Banking, Infrastructure Development and Long-Term Resource Raising (Domestic & Foreign Capital). In the last ten years he has been mentoring Young Professional Entrepreneurs & Startups and facilitating inclusive growth of Atmanirbhar India for skill Development and Make in India in the field of Solar Energy Applications in Rural Agriculture & Water, Education, Cinema and IT Cyber Security. Thus, besides being a Banking & Finance Specialist, Dr. Rao is also an Academecian, Skill Developer, Start-up Enabler and Social Reformer.
He is an alumni of IIT Bombay (PhD), IIT Kharagpur (M. Tech), Pondicherry Central University (PGDBA) and Andhra University (B.E. Electrical Engineering).

Mr. T.Valsaraj – Managing Director & Vice-Chairman

Mr. Valsaraj Thottoli is one of the two promoters of the Company. He as a Managing Director and Vice Chairman of the Company, sets and evolves the strategic direction for the company and its portfolio of offerings, while nurturing a strong leadership team to drive its execution. He has an extensive global experience about four decades in the export business of marine products and other merchandise with a strong track record of driving, executing and managing the business turnarounds. He looks after overall management and operations of the Company and its subsidiaries. He is also instrumental in preparing growth strategies of the Company. He has been devoting his entire time, efforts and energy to develop the Company in all aspects including business planning and analysis of future competition and threats at Global level.
He holds the degree of Bachelor of Technology in Chemical Engineering and Chemical Technology from Andhra University. He also holds Directorships in several other companies, engaged in diverse businesses like bulk drug manufacturing, hydro power & construction.

Mr. G.V.V.Satyanaryana – Whole Time Director designated as Director-Finance & CFO

Mr. G.V.V.Satyanaryana, as a Whole-Time Director designated as Director – Finance & CFO with an experience of three decades in leading financial strategies to facilitate a company's ambitious growth plans. He is responsible for the entire finance function of the Company with a proven ability to constantly challenge and improve existing processes and systems. He has ability to communicate professionally with clients, colleagues and other stakeholders on detailed financial issues. Providing direction and leadership to planning and accounting staff. His expertise includes analysis of Balance Sheets, profit measurement, Cash Flow statements, carrying out investment appraisal, trend analysis, treasury and funding, investor relations, cost management, financial operations, taxation, financial accounting, financial modeling to help respond to dynamic market conditions by ensuring compliance and statutory reporting, able to deliver a high standard of financial control, proven ability to manage and develop a financial team, ensuring legal & regulatory compliance relating to tax & others is adhered to., and reporting.

Mrs. Jeeja Valsaraj – Women Director

Mrs. Jeeja Valsaraj as a Women Director has interest and experience for more than two decades in the varied areas of Administration and Social responsibility. She is the Chairperson of Corporate Social Responsibility Committee of the Company and takes care of the CSR activities carried out by the Company. And also she is a member in various other committees of the Company. She is a philanthropist and Rotarian from the past 20 years and an active member of Rotary Club – Vizag Hill View and has held various other positions in the Club level & district level 3020. She is a founder member & Past President of Sanskriti – NGO, Vice-President of Vizagapatam Chamber of Commerce & Industry (VCCI) women's wing, Swacch Bharath ambassador of Visakhapatnam, Vice-President of Andhra Pradesh Federation of Resident Welfare Association (APFERWAS), she is a member of Confederation of Resident Welfare Association (CoRWA) a PAN India RWA apex body.
She is a science graduate from Mumbai University. She holds a Post Graduate Diploma in Management & Manufacturing of Textiles, Mumbai and holds a fashion designing degree from JD Institute of Fashion Technology, Mumbai.

Prof. Kamireddi Venkateshwara Rao - Independent Director

Prof. K. Venkateshwara Rao as an Independent Director, is well-known among the Chemical Engineering Institutions & Petroleum, Refining, Petrochemical and other Chemical Industries. He is now Programme Director, Petroleum Courses, JNTUK, Kakinada.
Prof. Rao established good contacts with industry as a consultant too. He is an expert in feasibility studies for Chemical Process

Plants, Safety Energy Audits as well as Hazop and Risk Assessment Studies. Recognizing his research work in biodiesels, Prof. Rao has been invited by the Chairman, Parliament Standing Committee on Petroleum and Natural Gas Government of India to make a presentation on "Strategy for Development of Alternative Resources of Oil and Gas with reference to Biodiesels". Prof. Rao made the presentation on December 12, 2006.

Sri M.V Suryanarayana - Independent Director

Mr. M.V.Suryanarayana as an Independent Director had a distinguished career spanning 40 years in Life Insurance Corporation of India in Accounts, Marketing, Administration, Banking and Finance. He is a Fellow Member of the Institute of Chartered Accountants of India. He also served as CEO of LIC Mutual Fund. He was on the Board of UTI, he was also a member of ICICI Venture Capital and currently a Member in various Committees of the Company.

Sri. Kalyanaraman P.R - Independent Director

Sri. Kalyanaraman P.R as an Independent Director having an impeccable career record spanning over 48 years in financial services and is a well rounded commercial banker. He have held successful assignments across public and private sector banks, across geographies and functions both in business and in operational areas– across retail and corporate businesses –both in field and at macro levels.

Annexure-11

Statement of Particulars of Employees Pursuant to provisions of Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INFORMATION AS PER RULE 5(1) OF CHAPTER XIII, COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of Managing Director, Chief Financial Officer and Company Secretary in the FY 2020-21:

Sl. No.	Name of the Director	Designation	Remuneration (in Lakhs)	Median Remuneration (in Lakhs)	Ratio	% increase/ decrease
1	Mr. T. Valsaraj	MD	107.07	1.35	79.31:1	(27.33)
2	Mr.G.V.V. Satyanarayana	CFO	58.03	1.35	42.98:1	(25.76)
3	Ms. Swaroopa Meruvva	CS	11.595	1.35	8.59:1	12.68

Notes: Independent Director(s) are not paid any remuneration other than sitting fee of _Rs. 10000/-per meeting of the Board and Rs. 5000/- per Meeting of Committee and reimbursement of expenses including travelling/conveyance expenses.

(ii) In the financial year, there was an increase in 8.14% in the median remuneration of employees.
(iii) There were 760 permanent employees on the rolls of the Company as on 31st March, 2021.
(iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increase already made in the salaries of employees in the last year was 3.25%. Normal yearly increments were given to staff based on their performance. Average percentile decrease in the managerial personnel in the last financial year was 27%. The decrease is due to decrease in commission of Executive Directors which is based on net profits of the Company.

(v) Affirmation that the remuneration is as per the remuneration policy of the Company
It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

INFORMATION AS PER RULE 5(2) OF CHAPTER XIII, THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) Names of top ten employees of the company in terms of remuneration drawn:

Sl. No.	Name	Age	Qualification	Designation	Date of Commencement of Employment	Experience (Years)	Gross Remuneration	Previous employment & Designation
1.	Mr. T. Valsaraj	67	B.E	Managing Director	1981	40	1,07,07,000	NA as associated with Coastal since inception
2.	Mr.G.V.V. Satyanarayana	60	M.Com	Director – Finance Cum CFO	1988	33	58,03,000	NA as associated with Coastal since inception
3.	K.V. Mohan Krishna	59	MFSc	General Manager	01.05.2003	19	38,40,000	Nil
4.	R. Vasudeva Rao	44	BSc.	Factory I - Manager	01.07.2003	21	19,88,250	Asst. Manager
5.	M. Arivazhagan	46	B.Fsc	Factory II - Manager	01.11.2014	6	18,26,250	Asst. Manager
6.	S.V.Jagga Rao	49	M.Com	Manager -Accounts	11.02.1999	22	13,95,000	Nil
7.	D. Titus Fernando	58	B.A	Manager - Business Development	01.04.2013	32	12,67,500	Operations Manager (Balaji Sea Foods Ltd)
8.	Saif Ali	44	Fisheries Grade G	Manager -Quality Control	01.08.2013	10	12,28,500	QC Manager
9.	B Anand	48	M.Tech	Civil Engg.	01.04.2014	7	12,00,000	Project Manager-Sprint Exports Pvt. Ltd.
10.	M.Swaroopa	34	Company Secretary	Company Secretary	07.02.2015	7	11,59,500	CS of Shri Shakti Alternative Energy Limited

(i) Particulars of employees drawing remuneration aggregating to not less than Rs.1.02 crores per annum employed during the year 2020-21 and employees drawing remuneration to Rs.8.5 lakhs per month employed for the part of financial year.

Sl. No.	Name of the Director	Designation	Remuneration per annum (Rs.)
1	Mr. T. Valsaraj	Managing Director	1,07,07,000

(iii) There was no employee either throughout the financial year or part thereof who was in receipt of remuneration which, in the aggregate, was in excess of that drawn by the Managing Director or Whole-time Director and who held by himself or along with his spouse or dependent children, not less than two percent of the equity shares of the Company.

(iv) Particulars of employees posted and working in a country outside India, not being Directors or their relatives, drawing more than sixty lakh rupees per year or five lakh rupees per month, as the case may be, as may be decided by the Board, need not be circulated to the members in the Report, but such particulars shall be filed with the Registrar of Companies while filing the financial statement and the Report.

Not Applicable as no employee was posted in a Country outside India for working on behalf of the Company.

For Coastal Corporation Limited

Sd/-
T.Valsaraj
Vice Chairman & Managing Director

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

Place: Visakhapatnam
Date: 10.08.2021

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
COASTAL CORPORATION LIMITED,

Report on the Standalone Ind AS financial statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **COASTAL CORPORATION LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

SL. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	**Valuation of Investments in Unquoted Equity Shares of M/s Coastal Developers Pvt Ltd and M/s Seagold Aqua Farms India Pvt Ltd**	
	The valuation of the investments involves judgement and continues to be an area of inherent risk because quoted prices are not readily available. Refer: Note 49.2 to the Standalone Ind AS financial statements	We assessed the managements' approach to valuation for these investments by performing the following procedures: • Understood and evaluated the procedure followed by the management to gather the data inputs used in the valuation models. • We assessed the appropriateness of the methodology applied in determining the fair value of the investments. • We evaluated the methodology and assumptions used by management, including reasonableness of the market value considered for immovable properties by comparing it with the guideline values determined by the State Government for similar properties. • We tested the calculation of the fair value based on the assumptions applied. • We found the disclosures in the standalone Ind AS financial statements to be appropriate. *Conclusion: Based on the work performed and the evidence obtained, we consider the methodology and assumptions used by management to be appropriate.*
2	**Purchase cost of Raw Shrimps**	
	Company procures its principle raw materials from the agents and farmers of aquaculture and the price of the same is highly volatile to the market conditions. The tentative prices of the raw shrimps are published by the local farmers of aquaculture through online app. acqubrahma.in. Based upon the production requirements, export commitments of the company and after considering the tentative prices, the management decides the price at which the raw materials have to be procured.	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • We have evaluated the design and tested the implementation of internal controls relating to procurement of raw materials and payments made to the agents and suppliers of the raw materials with source documentation. • We have performed the test of controls over procurement procedure to evaluate the operating effectiveness of the controls placed in recognition of the purchase costs. • We have performed test of details through correlating the raw materials procured with that of the material processed based on the production reports. • We tested the payments made to the suppliers based on the credit terms of payments. *Conclusion: Based on the work performed, we found the raw material costs recorded to be correct based on available evidence.*

Information Other than the Standalone Ind AS financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this "other information", we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "***Annexure- A***" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "***Annexure B"***. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

The remuneration paid to the Directors by the company is in accordance with the provisions of the sec.197.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations that would impact its financial position.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There is no amount which is required to be transferred to the Investor Education and Protection Fund by the company.

For, BRAHMAYYA & CO.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. RAMANA RAO
Partner
Partner Membership No. 018545
UDIN: 21018545AAAADY1636

Place: Visahakapatnam
Date: 29.06.2021

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The ***Annexure A*** referred to in our Independent Auditor's report of even date, to the members of COASTAL CORPORATION LIMITED, VISAKHAPATNAM, for the year ended 31 March 2021. We report that:

i) **a)** The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The fixed assets have been physically verified by the management during the year. According to the information furnished to us, no material discrepancies have been noticed on such verification.

c) The title deeds in respect of all immovable properties are held in the name of the company.

ii) Physical verification of inventory has been conducted during the year by the management at reasonable intervals. The discrepancies noticed on such verification between the physical stocks and the book records were not material.

iii) The Company has granted interest-free unsecured loans to its wholly owned Subsidiary companies covered in the register maintained under section 189 of the Companies Act, 2013.

a. The total amount outstanding as at 31.03.2021 is Rs. 603.23 lakhs and based on the information and explanations given by the management, the terms and conditions are not prejudicial to the interest of the company.

b. The terms of repayment of loans have not been scheduled as the same were advanced to its wholly owned subsidiary companies. Accordingly, clause 3(iii)(c) of the Order is not applicable to the company in respect of repayment of the principal amount.

iv) The company has neither given during the year, any loans to the directors or any other persons in whom the director(s) is interested nor given /provided any guarantee/security in connection with any loan taken by directors or such other persons as per the provisions of section 185 of the Companies Act, 2013. The investments made by the company in earlier years does not exceed the limits prescribed under section 186 of the Companies Act, 2013.

v) The Company has not accepted any deposits from the public. Consequently, the clause 3(v) of the order is not applicable to the Company.

vi) To the best of our knowledge and as explained to us, the Central Government has not prescribed maintenance of cost records for the company under sub-section (1) of section 148 of the Companies Act, 2013.

vii) **a)** According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues which were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.

b) As at 31st March 2021, there have been no disputed dues, which have not been deposited with the respective authorities in respect of Income tax, Service tax, duty of customs, duty of excise, value added tax and Cess, except the following:

Name of the Statute	Name of Dues	Amount in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	5.02	AY 2017-18	Commissioner of Income Tax (Appeals), Visakhapatnam
Income Tax Act, 1961	Income Tax	0.95	AY 2018-19	Asst. Commissioner, Circle 1(1), Visakhapatnam

viii) The Company has not defaulted in repayment of any loan instalments in respect of term loans taken from financial institutions and banks.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), whereas term loans raised during the financial year under report have been applied for the purposes for which they were raised.

x) During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii) In our opinion, the company is not a Nidhi Company. Consequently, the clause 3(xii) of the order is not applicable.

xiii) According to the information and explanations given to us and on overall examination of the records of the Company, we report that all transactions with related parties are in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013 and the related party disclosures as required by relevant Indian Accounting Standards are disclosed in the standalone Ind AS financial statements.

xiv) According to the information and explanations given to us and on overall examination of the records of the Company, we report that the company has made a preferential allotment of convertible equity warrants in compliance with the provisions of section 42 of the Companies Act, 2013 and the amount raised have been used for the purposes for which the funds were raised.

xv) The Company has not entered into any non cash transactions with the directors or persons connected with them during the year under report. Consequently, the clause 3(xv) of the order is not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Consequently, the clause 3

(xvi) of the order is not applicable.

For, BRAHMAYYA & CO.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. RAMANA RAO
Partner
Partner Membership No. 018545
UDIN: 21018545AAAADY1636

Place: Visahakapatnam
Date: 29.06.2021

Annexure "B" to the Independent Auditors' Report

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **COASTAL CORPORATION LIMITED** ("the Company") as of 31st March 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial controls

The Board of directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, BRAHMAYYA & CO.
Chartered Accountants
Firm Reg No. 000513S

SD/-
C.V. RAMANA RAO
Partner
Partner Membership No. 018545
UDIN: 21018545AAAADY1636

Place: Visahakapatnam
Date: 29.06.2021

Standalone Balance Sheet as at March 31, 2021

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
I. ASSETS			
(1) Non Current Assets			
(a) Property, plant and equipment	2	4,402.26	3,478.72
(b) Capital work in progress	3	3,232.45	203.97
(c) Right of Use asset	4	628.06	7.36
(d) Investment Property	5	1,176.83	1,095.29
(e) Financial assets			
(i) Investments	6	2,712.56	2,692.56
(ii) Loans	7	714.02	1,705.72
(iii) Other financial assets	8	647.11	1,217.80
(h) Other non current assets	9	1,246.93	560.00
		14,760.22	**10,961.43**
(2) Current Assets			
(a) Inventories	10	8,924.64	7,767.06
(b) Financial assets:			
(i) Trade receivables	11	3,015.70	3,847.95
(ii) Cash & cash equivalents	12	1,897.74	1,270.91
(iii) Bank balances other than above	13	2,921.86	3,041.96
(iv) Other financial assets	14	126.47	-
(c) Current Tax Assets (Net)	15	76.53	275.46
(d) Other current assets	16	2,620.74	1,567.84
		19,583.69	**17,771.18**
Total Assets		**34,343.91**	**28,732.61**

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	17	1,067.88	1,016.88
(b) Other equity	18	17969.54	14615.37
Total Equity		**19,037.42**	**15,632.25**
(2) Non Current Liabilities			
(a) Financial liabilities:			
(i) Borrowings	19	1,544.10	20.89
(ii) Trade payables	-	-	-
(iii) Lease liabilities	4a(i)B	47.72	5.43
(iv) Other financial liabilities	20	115.59	13.00
(b) Provisions	21	91.72	113.46
(c) Deferred Tax Liability (Net)	22	170.96	146.42
		1,970.10	299.20
(3) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	23	12,195.89	11,152.48
(ii) Trade payables	24	544.53	890.66
(iii) Lease liabilities	4a(i)B	6.58	3.19
(iv) Other financial liabilities	25	227.20	403.85
(b) Provisions	26	15.87	5.88
(c) Other Current Liabilities	27	346.32	345.10
		13,336.39	**12,801.16**
Total Equity and Liabilities		**34,343.91**	**28,732.61**

Summary of significant accounting policies 1

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

for, Brahmayya & Co.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. Ramana Rao
Partner Membership No. 018545
Place: Visahakapatnam
Date: 29.06.2021

for, and on behalf of the Board

Sd/-
T.Valsaraj
Vice Chairman & Managing Director
(DIN: 00057558)

Sd/-
G.V.V.Satyanarayana
Director (Finance)
(DIN: 00187006)

Sd/-
Swaroopa Meruva
Company Secretary
Place: Visahakapatnam
Date: 29.06.2021

Standalone Statement of Profit and Loss for the period ended March 31, 2021

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

Particulars	Note	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I. INCOME			
Revenue from Operations	28	40,219.45	51,295.48
Other Income	29	832.86	1,426.19
Total Revenue (I)		**41,052.31**	**52,721.67**
II. EXPENSES			
Cost of Materials Consumed	30	28,366.99	36,557.26
(Increase)/Decrease in Inventories of Finished Goods	31	(1,060.85)	321.23
Operating expenses	32	5,428.20	5463.87
Employee Benefits Expenses	33	1,265.91	1,150.63
Finance cost	34	405.54	638.98
Depreciation and Amortisation	35	344.73	320.01
Other Expenses	36	3,504.72	3,732.77
Total Expenses (II)		**38,255.24**	**48,184.75**
III. Profit Before Tax (I - II)		**2,797.07**	**4,536.92**
IV. Tax Expense	37		
Current tax		725.31	1130.00
Tax relating to earlier years		9.33	(32.29)
Deferred tax charge/ (credit)		38.24	(43.14)
		772.89	1,054.57
V. Profit for the year (III - IV)		**2,024.18**	**3,482.35**
VI. OTHER COMPREHENSIVE INCOME (OCI)			
A. Items that will not be reclassified to profit or loss in subsequent periods:			
(i) Remeasurement gains/(losses) on the defined benefit plans		(54.47)	(40.82)
Income tax effect on the above		13.71	10.27
(ii) Remeasurement gains/(losses) on Equity instruments measured at FVTOCI		77.30	-
Income tax effect on the above		-	-

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

Particulars	Note	For the year ended 31st March, 2021	For the year ended 31st March, 2020
B. Items that will be reclassified to profit or loss in subsequent periods:			
(i) Remeasurement gain/(loss) on the cash flow hedging instrument		27.29	(129.41)
Income tax effect on the above		-	-
Total other comprehensive income for the year, net of tax		63.83	(159.95)
Total comprehensive income for the year, net of tax (V + VI)		**2,088.01**	**3,322.40**
Earnings Per Equity Share	38		
Basic (Rs.)		19.90	34.24
Diluted (Rs.)		19.67	34.24
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

for, Brahmayya & Co.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. Ramana Rao
Partner Membership No. 018545
Place: Visahakapatnam
Date: 29.06.2021

for, and on behalf of the Board

Sd/-
T.Valsaraj
Vice Chairman & Managing Director
(DIN: 00057558)

Sd/-
G.V.V.Satyanarayana
Director (Finance)
(DIN: 00187006)

Sd/-
Swaroopa Meruva
Company Secretary
Place: Visahakapatnam
Date: 29.06.2021

Standalone Statement of Cash Flows for year ended March 31, 2021

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(A)	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	2,797.07	4,536.92
	Adjustments for :		
	Depreciation of property, plant and equipment	327.11	309.12
	Depreciation on investment property	9.56	9.05
	Amortisation of intangible assets	-	-
	Amortisation of right of-use asset	8.06	1.84
	Profit on sale of fixed assets (net)	-	(0.55)
	Loss on sale of fixed assets (net)	0.81	-
	Interest income	(263.93)	(218.97)
	Interest expense	293.64	580.20
	Interest expense on lease liabilities	28.83	0.41
	Gratuity and compensated absences	(66.21)	19.23
	Operating profit before working capital changes	**3,134.92**	**5,237.24**
	Movement in working capital:		
	(increase)/decrease in inventories	(1,157.59)	493.94
	(increase)/decrease in trade receivables	832.25	616.70
	(increase)/decrease in other receivables	(98.59)	(352.14)
	increase/(decrease) in trade payables	(346.13)	(400.43)
	increase/(decrease) in other payables	(72.84)	(157.98)
	Cash generated from operations	**2,292.03**	**5,437.33**
	Income tax paid	(771.38)	(1,404.11)
	Net cash flows from operating activities (A)	**1,520.65**	**4,033.22**
(B)	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment, including intangible assets and Investment property	(1,352.20)	(544.64)
	Increase in Capital work in progress	(3,028.48)	33.46
	Proceeds from sale of property, plant and equipment	9.66	4.00
	Government Grant Received	-	-
	Proceeds from sale of investments in deposits	-	-
	Net cash outflow on acquisition of subsidiary (Refer Note 1)	-	-
	Net cash inflow on disposal of subsidiary (Refer Note 1)	-	-
	Interest received	263.93	218.97
	Net cash flows used in investing activities (B)	**(4,107.09)**	**(288.21)**

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(C)	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Repayment of long - term borrowings (net)	1,523.21	(57.22)
	Repayment from short - term borrowings (net)	1,043.41	(1,153.78)
	Payment towards lease rentals	(611.90)	(1.00)
	Issue of equity shares at premium	953.70	-
	Issue of equity share warrants	420.75	
	Dividend paid	-	(305.06)
	Tax on dividend	-	(62.72)
	Interest paid	(293.64)	(580.20)
	Net cash flows from financing activities (C)	**3,035.53**	**(2,159.97)**
	Net decrease in cash and cash equivalents (A+B+C)	449.10	1,585.04
	Cash and cash equivalents at the beginning of the year	4,251.08	2,666.04
	Cash and cash equivalents at the year end	**4,700.18**	**4,251.08**

Components of cash and cash equivalents:

Cash on hand	0.72	1.07
Balances with banks		
-On current accounts	1,897.02	1,269.84
-On deposits accounts	2,802.44	2,980.17
Total cash and cash Equivalents	**4,700.18**	**4,251.08**

Note 1: Net cash inflow/(outflow) on disposal/ acquisition of subsidiary

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Consideration paid in cash on acquisition of subsidiary	-	-
Total	-	-
Consideration received in cash on disposal of subsidiary	-	-
Total	-	-

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

for, Brahmayya & Co.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. Ramana Rao
Partner Membership No. 018545
Place: Visahakapatnam
Date: 29.06.2021

for, and on behalf of the Board

Sd/-
T.Valsaraj
Vice Chairman & Managing Director
(DIN: 00057558)

Sd/-
G.V.V.Satyanarayana
Director (Finance)
(DIN: 00187006)

Sd/-
Swaroopa Meruva
Company Secretary
Place: Visahakapatnam
Date: 29.06.2021

Standalone Statement of Changes in Equity for the period ended March 31, 2021

A. EQUITY SHARE CAPITAL

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

Particulars	No.	Amount
Equity Shares of Rs.10 each fully paid up		
Balance at the beginning of the reporting period	10,168,800	1,016.88
Changes in equity share capital during the year	510,000	51.00
Balance at the end of the reporting period	**10,678,800**	**1,067.88**

B. OTHER EQUITY

	Particulars	Balance as on 01.04.2020	Total comprehensive income for the year	Dividends	Transfer to retained earnings*	Any other change (to be specified)	Balance as on 31.03.2021
Reserves & Surplus	Securities Premium Reserve	46.95	902.70	-	-	-	949.65
	General Reserve	108.61	-	-	-	-	108.61
	Retained Earnings	14,357.08	2,024.18	-	(129.41)	-	16,251.85
	Cash Flow Hedging Reserve	(129.41)	27.29	-	129.41	-	27.29
	Foreign Currency Translation Reserve			-	-	-	
	Money received against share warrants	273.68	(57.30)				216.38
	Remeasurement gains/(losses) on Equity instruments mesured at FVTOCI	-	420.75 77.30				420.75 77.30
	Remeasurement gains/(losses) on the defined benefit obligations	(41.53)	(40.76)	-	-	-	(82.29)
Total		**14,615.38**	**3,354.16**	**-**	**-**	**-**	**17,969.54**

*It represents the reclassification adjustment on cash flow hedging transactions that have affected the Profit or Loss.
The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

for, Brahmayya & Co.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. Ramana Rao
Partner Membership No. 018545
Place: Visahakapatnam
Date: 29.06.2021

for, and on behalf of the Board

Sd/-
T.Valsaraj
Vice Chairman & Managing Director
(DIN: 00057558)

Sd/-
G.V.V.Satyanarayana
Director (Finance)
(DIN: 00187006)

Sd/-
Swaroopa Meruva
Company Secretary
Place: Visahakapatnam
Date: 29.06.2021

Standalone Notes to Financial Statements for the period ended March, 2021

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

2. Property, plant and equipment

Fixed Assets	Gross Block				Depreciation				Net Block	
	Balance as at 01.04.2020	Additions	(Dispos-als)	Balance as at 31.03.2021	Upto 01.04.2020	For the year	On disposals	Total upto 31.03.2021	Balance as at 31.03.2021	Balance as at 31.03.2020
Freehold land	275.45	269.63	-	545.08	-	-		-	545.08	275.45
Buildings	1,923.79	115.82		2,039.61	401.34	60.27		461.61	1,578.00	1,522.45
Plant and equipment	2,415.63	501.10		2,916.73	1,015.99	187.24		1,203.23	1,713.50	1,399.64
Furniture and Fixtures	104.24	5.20		109.44	68.70	5.61		74.31	35.13	35.54
Computers	25.98	2.26		28.24	22.58	1.72		24.30	3.94	3.40
Vehicles	696.65	336.61	144.13	889.13	467.82	67.15	133.66	401.31	487.83	228.83
Office Equipment	72.14	30.48		102.62	58.73	5.11		63.84	38.78	13.41
Roads	4.06			4.06	4.06			4.06	-	-
Total	**5,517.94**	**1,261.10**	144.13	**6,634.92**	**2,039.22**	**327.10**	**133.66**	**2,232.66**	**4,402.26**	**3,281.38**
Previous year	4,706.52	382.53	105.90	4,983.15	1,425.14	311.36	-	1,736.50	3,246.65	

5 Investment properties

Fixed Assets	Gross Block				Depreciation				Net Block	
	Balance as at 01.04.2020	Additions	(Dispos-als)	Balance as at 31.03.2021	Upto 01.04.2020	For the year	On disposals	Total upto 31.03.2021	Balance as at 31.03.2021	Balance as at 31.03.2020
Freehold land*	733.39	10.49	-	743.88	-	-		-	743.88	733.39
Buildings	392.06	80.61	-	472.67	30.16	9.56		39.72	432.95	361.90
Total	**1,125.45**	**91.10**	-	**1,216.55**	**30.16**	**9.56**	-	**39.72**	**1,176.83**	**1,095.29**
Previous year	1,138.87	3.64	17.06	1,125.45	12.06	9.05	-	21.11	1,104.34	1,126.81

5a Information regarding income and expenditure of Investment properties

Particulars	2020-21	2019-20
Rental income derived from investment properties	32.80	49.15
Direct operating expenses (including repairs and maintenance) generating rental income	3.62	2.29
Direct operating expenses (including repairs and maintenance) that did not generating rental income	0.00	0.00
Profit arising from Investment properties before depreciation and indirect expenses	29.18	46.86
Less: Depreciation	9.56	9.05
Profit arising from Investment Properties before indirect expenses	**19.62**	**37.81**

5b Disclosure of Fair values of the Investment properties

Particulars	31st March 2021	31st March 2020
Freehold Land	1,704.43	1,234.35
Buildings	369.87	369.87

5c Estimation of fair value

The company obtains valuations for its investment properties at least once in a three years from a Independent Valuer. The fair values of investment properties have been determined by V J R Associates, & Tecno Design Govt. Registered Valuers & Chartered Engineers. The best evidence of fair value is current prices in an active market for similar properties. The valuer has considered the current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect the differences with regard to availability of the infrastructure facilities, locality of the property and market demand for those properties. All resulting fair value estimates for investment properties are included in level 3.

4 Right of Use assets

Particulars	Leasehold Land	Total
Balance as at March 31, 2020	**7.36**	**7.36**
Additions	628.76	628.76
Disposals	-	-
Amortisation	8.06	8.06
Balance as at March 31, 2021	**628.06**	**628.06**

4a. Leases

(i) As Lessee

A. Movement in lease liabilities

Particulars	Lease Liabilities
Balance as at 01-04-2020	**8.62**
Additional lease obligations recognised	308.10
Unused amounts reversed	0
Interest expense on lease liabilities	28.83
Amounts paid during the year	291.25
Balance as at 31-03-2021	**54.30**

B. Maturity analysis of lease liabilities

Particulars		Leasehold Land
Less than 1 year		6.58
1 to 5 years		26.64
More than 5 years		332.55
Total undiscounted lease liabilities at 31 March 2021		365.77
Lease liabilities included in the statement of financial position at 31st March 2021		54.30
	Current	**6.58**
	Non Current	**47.72**

C. Amounts recognised in profit or loss

Particulars	Amount in Lakhs
Interest on lease liabilities	28.83
Variable lease payments not included in the measurement of lease liabilities	0
Income from sub-leasing right-of-use assets	0
Expenses relating to short-term leases	0
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	0

(ii) As Lessor - Operating leases

The Company has entered into operating leases on its commercial buildings. These leases have terms ranging between 5 and 8 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The total contingent rents recognised as income during the year is Rs. 32.80 Lakhs (31 March 2020: Rs. 49.15 Lakhs). Future minimum rentals receivable under non-cancellable operating leases as at 31 March are, as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Within one year	16.80	49.85
After one year but not more than five years	0.00	72.33
More than five years	0.00	0.37

3. Capital work in progress

Particulars	As at March 31, 2021	As at March 31, 2020
Capital works in progress:		
a. Civil works under progress	1,344.30	56.27
b. Capital stock in Stores	1,888.15	147.70
Total	**3,232.45**	**203.97**

6 . Non Current Financial assets - Investments

Particulars	As at March 31, 2021	As at March 31, 2020
A. Investments in subsidiaries (measured at cost) (unquoted)		
30,27,600 Equity shares of Rs. 10 each in Continental Fisheries India Pvt Ltd (March 31, 2019: 30,27,600)	302.76	302.76
30,00,000 Equity shares of USD 1 each in Seacrest Seafoods Inc. (March 31, 2019: 30,00,000)	2,191.50	2,248.80
B. Other unquoted investments (designated at FVTOCI)		
(i) 7,00,000 (March 31, 2019: 7,00,000) Equity Shares of Rs.10 each of Coastal Developers Pvt Ltd	126.00	70.00
(ii) 7,10,000 (March 31, 2019: 7,10,000) Equity Shares of Rs.10 each of Seagold Aqua Farms India Pvt Ltd	92.30	71.00
Total	**2,712.56**	**2,692.56**

6a Details of Material Subsidiaries

Name and Principal Place of Business	Proportion of Ownership Interest/ Voting Rights	
	As at March 31, 2021	As at March 31, 2020
Continental Fisheries India Pvt Ltd Principal Place of Business:15-1-37/2, Jayaprada Apartments, Nowroji Road, Visakahapatnam-	**100.00%**	**100.00%**
Seacrest Seafoods Inc. Principal Place of Business: 7855 NW 12th Street, Suite 221, Miami, Florida	**100.00%**	**100.00%**

6b Reasons for Investments in Equity Instruments designated to be measured at Fair Value through Other Comprehensive Income

The Company has elected an irrevocable option of classifying the non current investments under fair value through other comprehensive income as they are not held primarily for trading.

7. Non Current Financial assets - Loans

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless otherwise stated:		
Security Deposits	129.17	111.45
Loans to subsidiary companies	584.85	1,594.27
Total	**714.02**	**1,705.72**

8. Non Current Financial assets - Others

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
- Deposits with original maturity of more than 12 months	594.08	1141.15
Interest Accrued on Deposits	53.03	76.65
Total	**647.11**	**1,217.80**

9. Other non current assets

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless otherwise stated:		
Capital Advances	1,246.93	560.00
Total	**1,246.93**	**560.00**

10. Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
(At lower of cost and net realisable value)		
Raw Materials	-	-
Finished Goods	8547.31	7486.46
Stores, spares and packing materials	377.33	280.59
Total	8,924.64	7,767.06

11. Trade Receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables	3014.07	3846.32
Unsecured, Considered Good and due for less than six months *	4.23	4.23
Doubtful	3,018.30	3,850.55
Less: Allowance for credit losses	2.60	2.60
	3,015.70	**3,847.95**

*Included due from subsidiaries (Refer Note 30)
Trade receivables are non-interest bearing and are generally on terms of 30-90 days.

12. Cash & cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks:	1852.89	1223.86
- On Current Accounts	44.13	45.98
- On Earmarked Balances (Unpaid Dividend accounts - less than seven years)	0.72	1.07
Cash on hand	**1,897.74**	**1,270.91**

13. Bank balances other than above

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks:		
- Deposits with original maturity of more than three months but less than 12 months	2802.44	2980.17
Interest Accrued on Deposits	119.42	61.79
	2,921.86	**3,041.96**

14. Current Financial assets - Others

Particulars	As at March 31, 2021	As at March 31, 2020
Cash flows in hedging instruments	27.29	0.00
Interest Receivable	99.18	0.00
Total	**126.47**	-

15. Current Tax Assets (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Current tax assets		
Advance payment of Direct Taxes	775.00	1380.00
Income tax deducted at source	26.84	25.46
	801.84	1,405.46
Less:		
Current tax liabilities	725.31	1,130.00
Provision for Income Tax		
	76.53	**275.46**

16. Other current assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advances made to suppliers	346.44	107.77
Export and other incentives receivable*	1040.36	932.21
Income tax Refund Receivable	273.38	37.71
Balances with revenue authorities	491.36	300.81
Prepaid expenses	223.31	158.65
Other assets	245.90	30.69
	2,620.74	**1,567.84**

* Export and other incentives receivable has been recognized in the following manner:

a) Incentives in the form of duty credit scrips upon sale of exports under Merchandise Exports from India Scheme under Foreign Trade Policy of India

b) Sales tax incentive and reimbursement of power cost under the Andhra Pradesh state incentives IIPP 2010-15 scheme. There are no unfulfilled conditions or contingencies attached to these incentives.

17. Equity share capital

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised		
1,50,00,000 (March 31, 2020: 1,50,00,000) Equity shares of Rs.10/- each	1,500.00	1,500.00
Total	**1,500.00**	**1,500.00**
Issued, Subscribed and Paid Up		
1,06,78,800 (March 31, 2020: 1,01,68,800) Equity share of Rs.10/- each fully paid up	1,067.88	1,016.88
Total	**1,067.88**	**1,016.88**

A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	Rs.	No.	Rs.
Outstanding at the beginning of the year	10,168,800.00	1,016.88	10,168,800.00	1,016.88
Add : shares issued during the year	510,000.00	51.00	-	-
Outstanding at the end of the year	**10,678,800.00**	**1,067.88**	**10,168,800.00**	**1,016.88**

B. Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share at the general meetings of the Company. In the event of liquidation of the company, the holders of equity shares are eligiable to receive share in the remaining assets of the company after distribution of all prefarencial amounts in proporation to their share holding. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

C. Issue of Bonus Shares

Pursuant to the approval of the shareholders on 16th May, 2018, record date for ascertaining the eligibility of the shareholders for receiving the bonus shares was fixed on 24th May, 2018 Accordingly, the Company has allotted 76,26,600 number of fully paid Bonus shares on 25th May, 2018 in the ratio of three equity share of Rs. 10 each fully paid up for every one existing equity shares of Rs.10 each fully paid up

Pursuant to the approval of the shareholders on 14th September, 2015, record date for ascertaining the eligibility of the shareholders for receiving the bonus shares was fixed on 1st October, 2015. Accordingly, the Company has allotted 12,71,100 number of fully paid Bonus shares on 3rd October, 2015 in the ratio of one equity share of Rs. 10 each fully paid up for every one existing equity shares of Rs. 10 each fully paid up

D. Details of Shareholders holding more than 5% shares of the Company:

Particulars	As at March 31, 2021		As at March 31, 2020	
	% Holding	No.	% Holding	No.
Equity Shares of Rs. 10/- each Held By				
Haribabu Kambampati	7.32	781,600	7.69	781,600
T.V.R.Estates & Resorts Pvt Ltd	6.36	679,288	6.68	679,288
Satyasree Achanta	8.93	954,146	9.38	954,146
Aditya Achanta	9.43	1,007,240	12.68	1,289,800
T Valsaraj	9.59	1,024,152	5.15	524,152

18. Other Equity

Particulars	As at March 31, 2021	As at March 31, 2020
a) Securities Premium	949.65	46.95
b) General Reserve	108.61	108.61
c) Retained Earnings	16,251.85	14357.08
d) Money received against share warrants	420.75	0.00
e) Other Comprehensive Income		
Foreign Exchange Translation Reserve	216.38	273.68
Re-measurement of Defined benefit plans	-82.29	-41.53
Re-measurement gain on Equity instruments measured at FVTOCI	77.30	
Cash flows hedging reserve	27.29	-129.41
Total	**17,969.54**	**14,615.37**

Nature of reserves:

a) Securities premium : Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

b) General reserve : The general reserve is created by way of transfer of part of the profits before declaring dividend pursuant to the provisions of Companies Act, 1956.

c) Retained earnings : Retained earnings generally represents the undistributed profit amount of accumulated earnings of the company

d) Money received against share warrants

a. The company at its extraordinary general meeting held on 11th February, 2021 issued 14,10,000 number of share warrants convertible into 14,10,000 equity shares of the Company of the face value of Rs.10/- each.

b. Each warrant shall be convertible into one equity share, the said right can be exercised at any time within a period of 18 months from the date of issue of such Warrants. 25% of the consideration is paid by the allottees to the Company upon issue and allotment of the warrants. The amount paid will be forfeited if the allottees of warrants have not exercised thier right for conversion within a period of 18 months from the date of issue of warrants.

c. As on the balance sheet date, two of the allotees have exercised the right of converting the 5,10,000 share warrants into equity shares. The amount received against the share warrents are utilised for the proposed objects mentioned in EGM notice .

d. Equity Shares to be issued and allotted by the Company on exercising of the option against the warrants, shall rank pari-passu in all respects with the then existing fully paid-up Equity Shares of the Company.

e) Other Comprehensive Income:

Other Comprehensive Income (OCI) represents the balance in equity for items to be accounted under OCI and comprises of:

A. Items that will not be reclassified to profit and loss

(i) The Company has made an irrevocable election to present the subsequent fair value changes of investments in OCI. This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value including tax effects. The company transfers restated fair value amounts from this reserve to retained earnings when the relevant financial instruments are disposed.

(ii) The actuarial gains and losses along with tax effects arising on defined benefit obligations are recognised in OCI.

B. Items that will be reclassified to profit and loss:

(i) The effective portion of changes in fair value of cash flow hedging instruments are recognised in OCI. The accumulated gains/losses will be reclassified to profit and loss in the periods when the hedged items affects profit or loss.

19. Non Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Loans Term Loans from a bank on hypothecation of Motor Vehicles (Terms of repayment: Refer note no. 39)	1544.10	20.89
Total	**1,544.10**	**20.89**

20. Non Current Financial Liabilities - Others

Particulars	As at March 31, 2021	As at March 31, 2020
Deposits Refundable	115.59	13.00
Total	**115.59**	**13.00**

21. Non Current Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits: - Gratuity (Funded)	91.72	113.46
Total	**91.72**	**113.46**

22. Deferred Tax Liability (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Major components of Deferred Tax Liabilities and Assets arising on account of timing difference are:		
Liability:		
- Difference between tax and book depreciation	205.10	176.77
Asset:		
- Expenditure charged to Statement of Profit & Loss in the current year but allowed for tax purposes on payment basis	27.08	30.04
- Difference between Lease rentals charged to Profit & Loss account and claimed for tax purposes	7.06	0.31
Deferred Tax Liability (net)	**170.96**	**146.42**

23. Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Loans repayable on demand: from Banks	12,195.89	11,152.48
(Secured By hypothecation of raw materials, work in progress, finished goods, and book debts and collaterally secured by the fixed assets, both present and future, of the Company).		
Total	**12,195.89**	**11,152.48**

24. Current Financial Liabilities - Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Outstanding dues to creditors other than micro enterprises and small enterprises	387.27	678.93
Outstanding dues to micro enterprises and small enterprises	157.26	211.73
Total	**544.53**	**890.66**

Dues to Small and Medium Enterprises:

(a) Principal amount and interest due thereon remaining unpaid	157.26	211.73
(b) Interest paid in terms of Section 16 of MSMED Act, 2006		-
(c) Interest due and payable for the period of delay excluding interest specified under MSMED Act, 2006		-
(d) Interest accrued and remaining unpaid at the end of the year		-
(e) Further interest due and payable in terms of section 23 of MSMED Act, 2006		-

Terms and conditions of the above financial liabilities:
Trade payables are non-interest bearing and are normally settled on 30-120 days terms.

25. Current Financial Liabilities - Others

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debts	16.20	16.20
Outstanding dues towards Capital works	8.35	0.43
Cash flows in hedging instruments	-	129.41
Unclaimed dividends	44.09	45.89
Other liabilities	158.56	211.93
Total	**227.20**	**403.85**

26. Current Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits:		
- Gratuity (Funded)	15.87	5.88
Total	**15.87**	**5.88**

27. Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Advances received against sales	69.02	27.32
Statutory dues payable	86.21	110.34
Other liabilities	191.09	207.44
Total	**346.32**	**345.10**

28. Revenue from Operations

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of Products		
Income from Sale of Shrimp	38,150.52	47,093.44
Other Operating Revenue		
Export Incentives	2,068.93	4,202.05
Revenue from Operations	**40,219.45**	**51,295.48**

(A) Revenue disaggregation by industry vertical is as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Fixed price contracts	38,150.52	47,093.44
Total	**38,150.52**	**47,093.44**

(B) Revenue disaggregation by geography is as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a. Domestic	-	-
b. Exports	38,150.52	47,093.44
Total	**38,150.52**	**47,093.44**

(C) Reconciliation of revenue recognized with the contracted price with customers is as follows

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Gross Revenue	38,150.52	47,223.42
Less: Sales Returns	0.00	129.98
Less: Amounts adjusted for Discounts, rebates, refunds etc	0.00	-
Revenue recognised in the statement of profit and loss	**38,150.52**	**47,093.44**

(D) Changes in advances received from customers (Contract liability) are as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	-	-
Add: Amounts received during the year	-	-
Less: Revenue recognised during the year	-	-
Balance at the end of the year (Net)	**-**	**-**

(E) Reconciliation of revenue recognized with the contracted price with customers is as follows

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from 1st top customer	6,891.93	10,765.29
Revenue from 2nd top customer	4,652.51	4,006.60
Revenue from 3rd top customer	4,540.96	3,521.22

(F) Other disclosures:

(i) The amounts receivable from customers become due after expiry of credit period which on an average is less than 90 days. There is no significant financing component in any transaction with the customers.

(ii) The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.

29. Other Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of agriculture produce	-	4.47
Lease rental income	32.80	49.15
Interest Income from:		
- Financial assets at amortised cost	263.93	218.81
- Others	-	0.15
Net Gain on Foreign Exchange Fluctuations	410.00	1,058.82
Refund of Anti Dumping Duty	-	14.53
Unclaimed credit balances written back	0.26	4.10
Net gain on disposal of property, plant and equipment	-	0.55
Grants Received under PMRPY Scheme	12.56	25.78
Grants Received From MPDA for exporters	70.26	49.82
Freezing & Processing Charges	8.75	-
Insurance Claims	34.30	-
Total	**832.86**	**1,426.19**

30. Cost of Materials Consumed

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Raw Materials Consumed	0.00	140.27
Opening stock at the beginning of the year	28,366.99	36,416.99
Add : Purchases	0.00	0.00
Less : Sale of materials		
	28,366.99	36,557.26
Less : Closing stock at the end of the year/period	0.00	0.00
	28,366.99	36,557.26

(A) Details of Raw Materials consumed

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Raw Shrimps	28,366.99	36,557.26

31. (Increase)/Decrease in Inventories of Finished Goods

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening stock of inventories		
Finished goods of Shrimp	7,486.46	7,807.69
Closing stock of inventories		
Finished goods of Shrimp	8,547.31	7,486.46
Decrease/(Increase) in inventories of finished goods	**-1,060.85**	**321.23**

32. Operating expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Consumption of stores, spares and consumables	1,624.78	1,822.74
Processing charges	1,898.39	1,838.49
Power and Fuel	569.39	662.22
Repairs and maintenance:		
- Plant and Machinery	385.98	366.44
- Vehicles	343.75	320.36
Other operating charges	605.91	453.61
Total	**5,428.20**	**5,463.87**

33. Employee Benefits Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and allowances	911.28	753.25
Contribution to provident fund and other funds	127.43	107.60
Gratuity expense	32.49	38.27
Managerial remuneration	165.12	225.53
Staff welfare expenses	29.60	25.99
Total	**1,265.91**	**1,150.63**

Employee benefit plans:

As per Indian Accounting Standard 19 "Employees' Benefits" the disclosures of Employee Benefits as defined in the Standard are given hereunder:

Defined Contributions Plans:

Contributions to Defined Contribution plans, recognized as expense for the year, are as under:

Particulars	2020-21	2019-20
Employer's Contributions to Provident and Pension Funds	97.96	82.76

Defined Benefit Plans:

A. The company provides for gratuity to the employees as per Payment of Gratuity Act,1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity is payable on retirement/resignation. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India.

B. The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the "Projected Unit Credit Method" which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

I. Reconciliation of opening and closing balances of Defined Benefit obligations

Particulars	Gratuity (Funded) This year	Gratuity (Funded) This year
Defined Benefit obligation at beginning of the year	260.06	170.97
Interest Cost	17.51	13.64
Current Service Cost	51.86	35.86
Benefits paid	(5.94)	(0.89)
Actuarial loss / (gain) on obligation	47.58	40.48
Defined Benefit obligation at year end	371.06	260.06

II. Reconciliation of opening and closing balances of fair value of plan assets

Particulars	Gratuity (Funded) This year	Gratuity (Funded) This year
Fair value of plan assets at beginning of the year	160.29	131.26
Interest Income	10.71	11.23
Contributions	105.29	19.04
Benefits paid	(5.94)	(0.89)
Re-measurements - Return on Assets (Excluding Interest Income)	(6.88)	(0.35)
Fair value of plan assets as at the end of the year	263.46	160.29

III. Reconciliation of fair value of assets and obligations as at 31.3.2020

Particulars	Gratuity (Funded) 31 March,2021	Gratuity (Funded) 31 March,2021
Fair value of plan assets	263.46	160.29
Present value of obligation	371.06	260.06
Amount recognized as liability in Balance sheet	-107.59	-99.77 v

Company is maintaining the planned assets through a group policy with Life Insurance Corporation of India

IV. Expenses recognized during the year in the Statement of Profit & Loss under employee benefit expenses

Particulars	Gratuity (Funded) This year	Gratuity (Funded) This year
Current Service Cost	25.70	35.86
Interest Cost	17.51	13.64
Expected return on plan assets	(10.71)	(11.23)
Actuarial (gain)/ loss		-
Expenses recognized in the statement of Profit & Loss	**32.49**	**38.27**

V. Amount to be recognized in statement of other comprehensive income

Particulars	Gratuity (Funded) This year	Gratuity (Funded) This year
Re-measurements of the net defined benefit liability/ (asset)	47.58	40.48
(Return)/loss on plan assets excluding interest income	6.88	0.35
Expenses recognized in the statement of Other Comprehensive Income	54.47	40.82

Particulars	Gratuity (Funded) This year	Gratuity (Funded) This year
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(5.01)	36.69
(Gain)/loss from change in experience adjustments	52.59	3.78

VI. Significant estimates: acturial assumptions

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.91%	6.81%
Salary escalation rate	10.00%	10.00%
Mortality rate	100.00%	100.00%
Withdrawal rate	3.00%	3.00%v

VII. Maturity Profile of Defined Benefit Obligations:

Particulars	Gratuity This year	Gratuity This year
Expected outflow in year1	15.87	5.88
Expected outflow in year2	15.71	12.75
Expected outflow in year3	21.93	12.68
Expected outflow in year4	11.33	17.62
Expected outflow in year5	21.35	8.42
Expected outflow in year6	16.28	15.15
Expected outflow in year7	25.73	14.43
Expected outflow in year8	16.20	13.43
Expected outflow in year9	28.62	12.84
Expected outflow in year10	30.60	19.97

VIII. Significant estimates : Sensitivity analysis

Discount rate,Salary Escalation Rate and Attrition/Withdrawal rate are significant actuarial assumptions. The change in Present value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

Particulars	Change of assumption (+increase/ - decrease)	Effect on gratuity valuation This year	Effect on gratuity valuation This year
Impact on present value of defined benefit obligation if			
- discount rate increase by	+1%	326.13	228.67
- discount rate decrease by	-1%	426.14	298.39
- salary increase by	+1%	418.92	292.60
- salary decrease by	-1%	328.96	230.80
- withdrawl/attrition increase by	+1%	360.56	252.47
- withdrawl/attrition decrease by	-1%	383.46	269.00

IX. Other Disclosures

Particulars	Gratuity This year	Gratuity This year
a) Best Estimate Contribution during the next year	107.59	99.77
b) Discontinuance liability	252.98	174.91

As per the enterprise's accounting policy actuarial gains and losses are recognized immediately during the same year itself.
The above information is certified by the Actuary.

34. Finance cost

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Expense	293.64	580.20
Interest expense on lease liabilities	28.83	0.41
Bank charges	83.07	58.38
Total	**405.54**	**638.98**

35. Depreciation and Amortisation

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on plant, property and equipment	327.11	309.12
Depreciation on investment property	9.56	9.05
Amortisation on right-of-use assets	8.06	1.84
Total	**344.73**	**320.01**

36. Other Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rates & Taxes	506.86	882.43
Insurance	183.41	181.58
Directors' Sitting Fees	4.75	3.95
Auditors' Remuneration		
for Audit Fees	3.50	3.50
for Taxation Matters	0.50	0.00
Travelling & Conveyance expenses	33.40	64.10
Donations	1.15	31.45
Legal and Professional fees	172.85	188.24
Commission on Sales	95.27	195.54
Selling and distribution expenses	2,320.34	2,134.56
Corporate Social Responsibility (CSR) Expenses	138.54	-
Loss on sale of PPE	0.81	-
Miscellaneous Expenses	43.34	47.43
Total	**3,504.72**	**3,732.77**

37. Income Tax Expense

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax		
- Based on provisions u/s 115BAA of the Income Tax Act, 1961	**725.31**	**1,130.00**
Deferred tax	**(3.79)**	**(9.63)**
Decrease /(increase) in Deferred Tax Assets	**28.33**	**(43.78)**
Increase /(decrease) in Deferred Tax Liability		
Total Income Tax Expense	**749.85**	**1,076.59**

(A) Deferred Tax Expense/ (Income)

Expense/ (Income) recognised for the year ended	For the year ended March 31, 2021	For the year ended March 31, 2020
Deferred tax (liability)/ Asset recognised in statement of profit or loss	**38.24**	**(43.14)**
Deferred tax (liability)/ Asset recognised in Other Comprehensive Income	**(13.71)**	**(10.27)**
Deferred tax recognised in Total Comprehensive Income	**24.53**	**(53.41)**

(B) Reconciliation of tax expense and the accounting profit multiplied by tax rate

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit from continuing operation before income tax expense	2,797.07	4,536.77
Profit from discontinuing operation before income tax expense		-
Total	2,797.07	4,536.77
Tax @ 25.168%	703.97	1,141.81
Tax effect of amount which are not deductible (taxable) in calculating		
Goodwill impairment	0.00	
Amortization of other intangibles		
Weighted deduction on research and development expenditure		
Corporate social responsibility expenditure	34.87	
Employee share based payment expense	0.00	
Contingent consideration	0.00	
Other Items	11.02	(8.40)
Differences in Domestic tax rates	0.00	(56.86)
Tax losses for which no deferred income tax was recognised		-
Previously unrecognised tax losses now recouped to reduce current tax expense		
Previously unrecognised tax losses used to reduce deferred tax expenses		
Income Tax expense	**749.85**	**1,076.55**

(C) Components of Tax expense

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Current tax expense	**725.31**	**1,130.00**
b) Amount of deferred tax expense (income) relating to the origination and reversal of temporary differences	24.53	**3.45**
c) Amount of deferred tax expense (income) relating to changes in tax rates or the imposition of new taxes	-	**(56.86)**
d) Amount of the benefit arising from a previously unrecognised tax loss, tax credit or temporary difference of a prior period that is used to reduce current tax expense	-	-
e) Amount of the benefit from a previously unrecognised tax loss, tax credit or temporary difference of a prior period that is used to reduce deferred tax expense	-	-

38. Particulars of Earnings Per Share

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit attributable to equity holders:		
Continuing operations	2,024.18	3482.20
Discontinued operation	0.00	-
Profit attributable to equity holders of the parent for basic earnings	**2,024.18**	**3482.20**
Interest on convertible preference shares	0.00	-
Profit attributable to equity holders of the parent adjusted for the effect of dilution	**2,024.18**	**3482.20**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Weighted average number of Equity shares for basic EPS*	**10,170,197**	**10168800**
Effect of dilution:		
Equity shares allocated for Share warrents	**120,821.92**	**-**
Convertible preference shares	**0.00**	**-**
Weighted average number of Equity shares adjusted for the effect of dilution	**10,291,019**	**10168800**

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements

Refer Note No 17 (d) for information regarding share warrants. As on the balance sheet date, most of the allotees has not exercised the right of converting the share warrents into equity shares, hence the same is considered for calculating diluted EPS

Earnings per equity share (for continuing operations)	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Basic	**19.90**	**34.24**
b) Diluted	**19.67**	**34.24**

39. Effective interest rate

Name of the Bank	Outstanding as on March 31, 2021	Outstanding as on March 31, 2020	No. of Instalments	Commence-ment of instalments	Effective interest rate
a) Secured loan from Bank of India - Car - shift dezire	0.00	0.30	36 equal monthly in-stalments of Rs.0.12	July 2015	"Base rate plus 2.00% p.a. (March 31, 2016 : Base rate plus 2.00 % p.a., April 01, 2015 : Base rate plus 2.00 % p.a.)"
b) Secured loan from Bank of India - Car-Audi	16.00	26.54	36 equal monthly in-stalments of Rs.0.95	October-2019	Flat Rate of interest 9.12%
c) Secured loan from Bank of India - Car-Creta	5.83	10.25	36 monthly instal-ments of Rs.0.39	August-2019	Flat Rate of interest 8.18%
d) Secured Loan From HDFC Bank- Term loan for KSEZ Plant	1538.47	0.00	20 quarterly instal-ments of Rs.100.00	June-2022	Flat Rate of interest 9.00%
Total	**1,560.30**	**37.09**			

40. Details of CSR expenditure

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Gross amount required to be spent by the Company during the year:	100.48	84.47
b) Amount spent during the year	164.47	1.49
(i) Construction/acquisition of any asset	0.00	0.00
(ii) On purposes other than (i) above	164.47	1.49

Description of the CSR Expenses spent under various Heads

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Details	Rs.	Details	Rs.
Purchase of new Ambulance and Ambulance Repairs & Maintenance		4.93		1.49
Expenditure on health care equipments – Purchase of humidifier & oxygen machine.		2.60		
Supply of Food grains to needy		13.94		
Amount paid Alluri Sitaramaraju Vignana Kendram towards Construction of Library		20.00		
Amount paid to Arunodaya Trust towards – Women Empowerment – through skills training towards economic support and self-reliance.		50.00		
Contribution towards Suraksha Old age and Health Society – Health, Poverty & Eradication of Hunger – oldage homes/orphan homes/ free covid/ medical camps/ food distribution.		20.00		
Amount paid to Global Helping Hands INC – Medical & health on present issues pandemic COVID – 19.		20.00		
Payments to M/s Association Saikorian – Campus Challenge on account of CSR expenses		5.40		
Payments to Touch Stone Charities for Eradicating hunger & poverty livelihood- for providing breakfast to govt. schools situated around factory premises.		3.00		
Payments for bottle crusher – sanitization		4.48		
Supply of blankets		0.12		
PM Relief Fund		20.00		
Total		**164.47**		**1.49**

The amount unspent as at March 31, 2021 is Rs.128.34 Lakhs , as at March 31, 2020 is Rs. 192.33 Lakhs

41. Contingent liabilities/claims not provided for

Particulars	As at March 31, 2021	As at March 31, 2020
a. Unexpired Bank Guarantee issued in favour of:		
Against letters of credit (SBLC)	600.00	517.22
b. Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances):	3333.14	206.97
c. Bank guarantees issued by the company to the MPEDA as a performance bank guarantee	9.79	9.79

Details

42. Assets pledged as security

The carrying amounts of assets pledged as security for current and non current borrowings are:

Particulars	Notes	March 31,2021	March 31,2020
Current assets			
Financial assets			
Trade receivables	11	3,015.70	3,847.95
Bank balances other than above (ii)	13	1,341.46	686.34
Non-financial assets			
Inventories	10	8,924.64	7,767.06
Other Current assets	15	1,040.36	932.21

43. Segment information

The Company operates only in one business segment being the processing of Raw Shrimps and there are no geographical segments to be reported.

44. Related Party Disclosures

(i) Names of related parties and description of relationship

Key Management Personnel

Name of the Related Party	Relationship
a) Sri T. Valsaraj	KMP (Managing Director)
b) Sri.G.V.V.Satyanarayana	KMP (Whole-time Director)
c) Smt. Swaroopa Meruva	KMP (Company Secretary)
d) Smt. Jeeja Valsaraj	Relative of KMP
e) Smt. Vijeta Valsaraj	Relative of KMP

Enterprises in which KMP or Relatives having significant influence

Name of the Related Party	Relationship
a) M/s Continental Fisheries India Pvt Ltd	Wholly owned subsidiary
b) M/s Seacrest Seafoods Inc.	Wholly owned subsidiary

(ii) Transactions during the year with related parties

Sl. No.	Name of the Party	Relationship	Nature of transaction	For the year ended March 31, 2021	For the year ended March 31, 2020
1)	**Sri T. Valsaraj**	KMP (MD)	Remuneration	107.07	147.35
2)	**Sri G.V.V.Satyanarayana**	KMP (WTD)	Remuneration	58.03	78.17
3)	**Smt. Jeeja Valsaraj**	Relative of KMP	Sitting fees	1.55	1.20
4)	**Smt. Vijeta Valsaraj**	Relative of KMP	Salary Amount paid	- -	- -
5)	**M/s Continental Fisheries India Pvt Ltd**	Wholly owned subsidiary incorporated in India	Investment in Equity Purchase of shrimps Advance Loan amount repaid	- 287.00 3.37 1,140.50	- - 287.99
6)	**M/s Seacrest Seafoods Inc.**	Wholly owned subsidiary incorporated in The United States of America	Investment in Equity Sale of Shrimp Amount received against Sales Loan	- 1,018.91 575.07 146.10	- 407.71 150.23 -
7)	**Smt. Swaroopa Meruva**	KMP (Company Secretary)	Salary Amount paid	11.59	10.29
8)	**Smt. Vineesha Valsaraj**	Relative of KMP	Salary Amount paid	3.00	3.00
9)	**Sri T. Vishwanath**	Relative of KMP	Labour charges Amount paid	251.40	158.63

(iii) Balance oustanding

Sl. No.	Name of the Party	Relationship	Nature of transaction	For the year ended March 31, 2021	For the year ended March 31, 2020
1)	**Sri T. Valsaraj**	KMP (MD)	Remuneration	10.05 Cr	53.13 Cr
2)	**Sri G.V.V.Satyanarayana**	KMP (WTD)	Remuneration	0.07 Cr	29.05 Cr
3)	**Smt. Vijeta Valsaraj**	Relative of KMP	Salary	0.14 Cr	0.14 Cr
4)	**M/s Continental Fisheries India Pvt Ltd**	Wholly owned subsidiary	Investment in Equity Loan O/s	302.76 Dr 1010.34 Dr	302.76 Dr
5)	**M/s Seacrest Seafoods Inc.**	Wholly owned subsidiary	Investment in Equity Loan O/s	2191.50 Dr 146.10 Dr	2248.80 Dr -
6)	**Smt. Vineesha Valsaraj**	Relative of KMP	Salary	-	0.25 Cr

Note: All the aforesaid related party transactions were carried on arm's length basis.

45. Impairment of Assets

According to an internal technical assessment carried out by the Company, there is no impairment in the carrying cost of cash generating units of the Company in terms of Indian Accounting Standard 36 'Impairment Of Assets'

46 Impact of Covid 19

The Management has considered the possible effects, if any, that may result from COVID – 19 pandemic on amounts relating to trade receivables & inventories. In assessing the recoverability of receivables, the Company has considered internal and external information upto the date of approval of these financial results including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes and future economic conditions.

47. Balances Outstanding

Loans and Advances, Trade Receivables and Trade Payables are subject to confirmation.

48. Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with the current year figures.

49. FINANCIAL INSTRUMENTS

49.1 Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2020 were as follows:

Particulars	Amortized cost	Measured at fair value through profit loss		Measured at fair value through OCI		Total carrying value	Total Fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents	1,897.74	-			-	1,897.74	1,897.74
Investments:							
Unquoted equity instruments		-		218.30	-	218.30	218.30
Trade receivables		-			3,015.70	3,015.70	3,015.70
Loans	584.85	-				584.85	584.85
Other financial assets	3,668.15	-	129.17		27.29	3,824.62	3,824.62
Total	**6,150.74**	-	**129.17**	**218.30**	**3,042.99**	**9,541.21**	**9,541.21**
Liabilities:							
Trade payables	544.53	-	-	-	-	544.53	544.53
Other financial liabilities	14,082.78	-	-	-	-	14,082.78	14,082.78
Total	**14,627.31**	-	-	-	-	**14,627.31**	**14,627.31**

The carrying value and fair value of financial instruments by categories as of March 31, 2020 were as follows:

Particulars	Amortized cost	Measured at fair value through profit or loss		Measured at fair value through OCI		Total carrying value	Total Fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents	1,270.91	-	-		-	1,270.91	1,270.91
Investments:							
Unquoted equity instruments		-	-	141.00	-	141.00	141.00
Trade receivables		-				3,847.95	3,847.95
Loans	1,594.27	-			3,847.95	1,594.27	1,594.27
Other financial assets	4,259.76	-	111.45			4,371.22	4,371.22
Total	**7,124.94**	-	**111.45**	**141.00**	**3,847.95**	**11,225.34**	**11,225.34**
Liabilities:							
Trade payables	890.66	-	-	-	-	890.66	890.66
Other financial liabilities	11,460.81	-	-	-	129.41	11,590.22	11,590.22
Total	**12,351.47**	-	-	-	**129.41**	**12,480.88**	**12,480.88**

49.2 Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A) The following methods and assumptions were used to estimate the fair values

The fair value of cash and cash equivalents, trade receivables and payables, financial liabilities and assets approximate their carrying amount largely due to the short–term maturities of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values. The fair value of unquoted equity investments designated and recognised through Other Comprehensive Income has been determined by using the Cost approach technique through the net assets value method.

B) Fair value hierarchy

The fair value of financial instruments as referred to above note have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Level 1 hierarchy includes inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs that are observable either directly or indirectly for the asset or liability, other than quoted prices included within level 1.

Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

C) Statement showing the fair value hierarchy of the financial assets and liabilities measured at fair value on a recurring basis

Particulars	Fair Values as at		Fair Value Hierarchy
	31/3/2021	31/3/2020	
Financial Assets			
Investment in unquoted Equity Instruments	218.30	141.00	Level 3
Trade receivables	3,015.70	3,847.95	Level 2
Other financial assets	156.47	111.45	Level 2

D) Management's approach and the key assumptions used to determine the fair value under Level 3 hierarchy:

Cost approach is the valuation technique used for determination of the fair value of the unquoted equity instruments. It considers the present net worth of those companies. The latest audited financial statements, prevailing market/ recoverable values for the assets of respective companies and the amounts payable to discharge its liabilities are the unobservable inputs considered to arrive the fair values of the unquoted equity instruments.

E) Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets:

Particulars	Amount in Lakhs
Balance as at 1 April 2020	141.00
Re-measurement recognised in OCI	77.30
Purchases	-
Reclassified in discontinued operations	-
Sales	-
Balance as at 31 March 2021	218.30

49.3 Offsetting financial assets and financial liabilities as on March 31,2021

Particulars	Effects of offsetting on the balance sheet			Related amounts not set off		Net amount
	Gross amount	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instruments collateral	
Financial assets						
Cash and cash equivalents	1,897.74	-	1,897.74	-		1,897.74
Trade receivables	3,015.70	-	3,015.70	-	3,015.70	-
Other financial assets	4,600.48	-	4,600.48	-	1,341.46	3,259.02
Derivative financial instruments	27.29	-	27.29	-		27.29
Financial liabilities						
Trade payables	544.53	-	544.53	-		544.53
Borrowings	13,756.19	-	13,756.19	-	4,357.16	9,399.03
Other financial liabilities	326.59	-	326.59	-		326.59
Derivative financial instruments	-	-	-	-		-

Offsetting financial assets and financial liabilities as on March 31,2020

Particulars	Effects of offsetting on the balance sheet			Related amounts not set off		Net amount
	Gross amount	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instruments collateral	
Financial assets						
Cash and cash equivalents	1,270.91		1,270.91	-		1,270.91
Trade receivables	3,847.95		3,847.95	-	3,847.95	-
Other financial assets	6,106.48	-	6,106.48	-	686.34	5,420.14
Derivative financial instruments	-		-	-		-
Financial liabilities		-				
Trade payables	890.66	-	890.66	-		890.66
Borrowings	11,189.57	-	11,189.57	-	4,534.29	6,655.28
Other financial liabilities	271.24	-	271.24	-		271.24
Derivative financial instruments	129.41		129.41	-		129.41

49.4 Financial risk management framework

A) The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The risk management framework aims at,
i) Improve financial risk awareness and risk transparency
ii) Identify, control and monitor key risks
iii) Identify risk accumulations
iv) Provide management with reliable information on the Company's risk situation
v) Improve financial returns

B) The company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis, credit ratings	Credit Limits and Letters of Credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilties
Market risk - Foreign exchange	Future commercial transactions. Recognised financial assets and liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting Sensitivity analysis	Cash flows hedging - Forward foreign exchange contracts
Market risk – Interest rate	Long term borrowings at fixed rates for one year	Sensitivity analysis	Credit rating
Market risk -Commercial risk	Price variations	Sensitivity analysis	Product manufacturing planning

a) Credit risk:

i) Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), from cash and cash equivalents, deposits with banks. The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis

ii) Financial assets that are neither past due nor impaired
Cash and cash equivalents, deposits with banks, security deposits, investments in securities are neither past due nor impaired. Cash and cash equivalents, deposits are held with banks which are reputed and credit worthy banking institutions. Hence the expected credit loss is negligible.
Investments in securities - the fair value of the securities determined are higher than the cost incurred by the company and having sufficient margin. Hence the expected credit loss is negligible.

iii) Financial assets that are past due but not impaired
Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The average credit period on sales of products is less than 90 days. All trade receivables are reviewed and assessed for default on a quarterly basis. For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected Credit Loss (%)
With in the Credit Period	0%
Up to 60 days past due	0.25%
60-90 days past due	0.5%
More than 90 days past due	1%

b) Liquidity risk:

i) Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet it's cash and collateral requirements at all times. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit line to meet obligations . Due to the dynamic nature of underlying bussiness, company maintains flexibility in funding by maintaining availability under committed credit lines.

ii) Maturities of financial liabilities
The table below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non derivative financial liabilities:

As on March 31, 2021

Current maturities of financial liabilities	Less than 6 months	6 months to 12 months	Greater than 12 months	Total
Non derivatives				
Borrowings	12,203.99	8.10	1,544.10	13756.19
Trade payables	544.53	-	-	544.53
Other financial liabilities	211.00	-	115.59	326.59
Derivatives				
Cash flows in hedging instruments	-	-	-	-

As on March 31, 2020

Current maturities of financial liabilities	Less than 6 months	6 months to 12 months	Greater than 12 months	Total
Non derivatives				
Borrowings	11,152.48	-	20.89	11173.37237
Trade payables	890.66	-	-	890.6561517
Other financial liabilities	266.34	8.10	13.00	287.44
Derivatives				
Cash flows in hedging instruments	-	129.41	-	129.41

c) Market Risk

i) Interest Rate Risk -

The company's main interest rate risk arises from long term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Sensitivity to changes in interest rates **(Rs in Lakhs)**

Particulars	Impact on profit	
	FY 2020-21	FY 2019-20
Sensitivity Analysis of Borrowings		
Rate of Interest Increase by 1% Packing Credit Loan	**140.00**	**82.75**
	140.00	82.75
Rate of Interest Decrease by 1% Packing Credit Loan	**(140.00)**	**-82.75**
	-140.00	-82.75

ii) Commercial risk -

The commercial risk is the risk due to the change in market prices of raw materials and finished goods and it is measured though sensitivity analysis by taking variance of 5%

1. Selling price risk **(Rs in Lakhs)**

Particulars	Impact on profit	
	FY 2020-21	FY 2019-20
Selling Price Increase by 5% Shrimp	1,907.53	**2,354.67**
	1,907.53	2,354.67
Selling Price Decrease by 5% Shrimp	**(1,907.53)**	**(2,354.67)**
	(1,907.53)	(2,354.67)

2. Raw materials price risk

(Rs in Lakhs)

Particulars	Impact on profit	
	FY 2020-21	FY 2019-20
Raw materials price Increase by 5%		
Shrimp	(1,418.35)	(1,820.85)
	(1,418.35)	(1,820.85)
Raw materials price Decrease by 5%		
Shrimp	1418.35	1820.85
	1418.35	1820.85

iii) Foreign currency risk -

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US$. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency. The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The company's risk management policy is to hedge around 5% to 10% of forecasted foreign currency sales for subsequent 12 months and accordingly, foreign exchange forward contracts are taken to hedge the foreign exchange fluctuations on forecasted sales.

Foreign currency risk exposure at the end of the reporting periods:

(In US $)

Particulars	31st March 2021	31st March 2020
Financial assets	30.00	30.00
Investments in foreign subsidiary company	2.00	-
Loan to wholly owned foreign subsidiary	80.62	82.23
Trade receivables		-
	112.62	112.23
Derivative liabilities	30.00	69.00
Foreign exchange forward contracts		
- Sell foreign currency	30.00	69.00

Sensitivity analysis

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other companents of equity arises from foreign forward exchange contracts designated as cash flow hedges.

Particulars	Impact on Profit		Impact on OCI	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
USD sensitivity				
INR/USD - Increase by 10%	3815.05	4709.34	2.73	12.94
INR/USD - Decrease by 10%	-3815.05	-4709.34	-2.73	-12.94

49.5 Impact of hedging activities

a. Disclosure of effects of hedge accounting on financial position:

Particulars	Foreign exchange forward contracts	
	31st March 2021	31st March 2020
Nominal Value		
Assets		
Liabilities	2,242.15	5162.47
Carrying amount of hedging instrument		
Assets	27.29	
Liabilities		129.40
Maturity date	April to September	April to December
Hedge ratio	2020	2020
Weighted average strike price/rate	0.04	0.18
Changes in fair value of hedging instruments	74.74	74.82
Changes in the value of hedged item used as the basis for	27.29	129.40
recognising hedge effectiveness	27.29	-129.40

b. Disclosure of effects of hedge accounting on financial performance:

Particulars	Foreign exchange risk	
	31st March 2021	31st March 2020
Changes in the value of hedging instrument recognised in Other comprehensive income	27.29	129.40
Hedge ineffectiveness recognised in profit or loss	0.00	0.00
Amount reclassified from cash flow hedging reserve to profit or loss	-129.40	0.00
Line item affected in statement of profit and loss due to reclassification	0.00	0.00

c. Movements in cash flow hedging reserve

Risk Category	Foreign exchange risk	
Derivative instruments	**31st March 2021**	**31st March 2020**
Balance at the beginning of the year	-129.40	0.00
Add: Changes in discounted spot element of forward contracts	27.29	-129.40
Less: Amounts reclassified to profit or loss	-129.40	0.00
Balance at the end of the year	27.29	-129.40

49.6 Capital management

The company's objectives when managing capital is to safeguard their ability to continue as a going concern, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The company sets the amount of capital required on the basis of annual business and long term operating plans which include capital and other strategic investments.The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The company tries to maintain an optimal capital structure to reduce cost of capital and monitors capital on the basis of debt-equity ratio.

Debt Equity Ratio

(Rs in Lakhs)

Particulars	FY 2020-21	FY 2019-20
Debt		
Borrowings-Non current	1544.10	20.89237
Current maturities of long term debt	16.20	16.20
Total Debt	1560.30	37.09237
Equity Share Capital	1067.88	1016.88
Other Equity	17969.54	14615.37
Total Equity	19037.42	15632.25
Debt to equity Ratio	0.08	0.00

As per our report of even date

for, Brahmayya & Co.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. Ramana Rao
Partner Membership No. 018545
Place: Visahakapatnam
Date: 29.06.2021

for, and on behalf of the Board

Sd/-
T.Valsaraj
Vice Chairman & Managing Director
(DIN: 00057558)

Sd/-
G.V.V.Satyanarayana
Director (Finance)
(DIN: 00187006)

Sd/-
Swaroopa Meruva
Company Secretary
Place: Visahakapatnam
Date: 29.06.2021

Notes to the Standalone Ind AS financial statements for the year ended March 31, 2021

1. Company overview and significant accounting policies

1.1 Company Overview:

Coastal Corporation Limited was originally established as Coastal Trawlers Private Limited in the year 1981, subsequently converted into a public limited company in 1985. The name was changed to Coastal Corporation Limited in the year 2005. The Company is engaged in processing and export of sea food.

The Company is a public limited company incorporated and domiciled in India and has its registered office at 15-1-37/3, Nowrji Road, Jayapradha Apartments, Maharanipeta, Visakhapatnam, Andhra Pradesh. The Company has its primary listings on the BSE Limited. The Company is having its processing facilities at Plant Unit 1 : Marikavalasa (V), Paradesipale Panchayat, Visakhapatnam. Plant Unit 2 : P.Dharmavaram Village, S.Rayavaram Mandal, Visakhapatnam.

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorized for issue on June 29, 2021.

1.2 Basis of preparation of financial statements:

1.2.1 Statement of compliance with Ind AS

These financial statements are the standalone financial statements prepared by the Company complying in all material aspects with the Indian Accounting Standards (Ind AS) notified under the provisions of the Companies Act , 2013 (Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016, Companies (Indian Accounting Standards) Amendment Rules, 2017, Companies (Indian Accounting Standards) Amendment Rules, 2018, Companies (Indian Accounting Standards) Second Amendment Rules, 2018, Companies (Indian Accounting Standards) Amendments Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

1.2.2 Recent Accounting Pronouncements –Standards issued but not yet effective

Ministry of Corporate Affairs has not issued any notifications for new standards or amendments to the existing standards which will be effective from the reporting periods beginning on or after 1st April 2021.

1.2.3 Basis of preparation

These financial statements are prepared under historical cost convention on accrual basis except for the following –

- Certain financial instruments (including derivative instruments) which are measured at fair values,
- Assets held for sale measured at fair value less cost to be incurred to sell, and
- Defined benefit plans – plan assets measured at fair value.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.

1.2.4 Functional and presentation currency

The Company's financial statements are presented in INR. The Company determines the functional currency as INR on the basis of primary economic environment in which the entity operates. The financial statements are presented in Indian rupee rounded off to the nearest lakhs with two decimals.

1.3 Use of Estimates:

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies, the reported amount of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Application of account-

ing policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 4. Accounting estimates could change from period to period. Actual results could differ from the estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.4 Current versus Non-current classification:

All assets and liabilities in the balance sheet are presented based on current/ non-current classification.

An asset is treated as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle
- held primarily for the purpose of trading
- expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- expected to be settled in normal operating cycle
- held primarily for the purpose of trading
- due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

1.5 Revenue Recognition:

Revenue is recognised as and when the entity satisfies a performance obligation by transferring a promised goods or services (i. e an asset) to a customer and recovery of the consideration is probable. An asset is transferred when (or as) the customer obtains control of that asset, which is upon delivery in case of export sales made to USA and in other cases upon shipment of goods. Revenue is measured at the transaction price which is determined based on the terms of contract and entity's customary practice. Amounts disclosed as revenue are inclusive of duties, but exclusive of Goods and Service tax (GST), which the company pays as principal and net of returns, trade allowances, rebates, and taxes collected on behalf of the government.

1.6 Property, Plant and Equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment loss, if any. Historical cost includes all costs directly attributable to bringing the asset to the location and condition necessary for its intended use and initial estimation of dismantling and site restoration costs. Subsequent costs relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced.

Property, Plant and Equipment are componentized and are depreciated separately over their estimated useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is de-recognised.

Capital work in progress

Expenditure during construction/erection period is included under Capital Work-in-Progress and allocated to the respective fixed assets on completion of construction/erection. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during the trial period is credited to capital work in progress.

1.7 Investment Properties:

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is de-recognised.

Investment properties are depreciated using the straight line method over their estimated useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

1.8 Intangible assets:

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

1.9 Bearer plants:

Bearer plants are living plants used in the production or supply of agriculture produce. They are expected to bear produce for more than one period and have a remote likelihood of being sold as agriculture produce, except for incidental scrap sales.
The company's bearer plants comprise coconut trees and the same are presented and accounted for as "Property, Plant & Equipment" if they satisfy the recognition criteria.

Immature bearer plants are accounted for at accumulated cost, which consist mainly of the accumulated cost of land clearing, planting, fertilizing, up-keeping and maintaining the plantations, and allocations of indirect overhead costs up to the time the plants become commercially productive and available for harvest. Costs also include capitalized borrowing costs and other charges incurred in connection with the financing of the development of immature bearer plants. Immature bearer plants are not depreciated.

Immature bearer plants are reclassified to mature bearer plants when they are commercially productive and available for harvest. Mature bearer plants are stated at cost, and are depreciated using the straight-line method over their estimated useful lives. The useful lives and depreciation method are reviewed at each year end and adjusted prospectively, if necessary. The carrying amounts of bearer plants are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be fully recoverable.

The carrying amount of an item of bearer plants is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is directly included in profit or loss when the item is de-recognized. Upkeep and maintenance costs are recognized in profit or loss when they are incurred. The cost of major renovation and restoration is included in the carrying amount of the related asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the company, and is depreciated over the remaining useful life of the related asset.

1.10 Biological assets:

The Company's biological assets comprise agricultural produce of the bearer plants, which primarily comprise coconuts. Biological assets are stated at fair value less costs to sell at the point of harvest. Gains or losses arising on initial recognition of biological assets and from the change in fair value of biological assets at each reporting date are recognized in profit or loss for the period in which they arise.

The fair value of the biological assets is based on the quoted prices for coconuts in the market at the time of harvest.
The company, in general, does not carry any inventory of agriculture produce at any given time as these are sold as and when harvested. Farming costs are expensed as incurred.

1.11 Government Grants:

Government Grants are recognised when the Company has a reasonable assurance that the entity will comply with all the conditions and the grants will be received. Grants related to depreciable assets are deducted while calculating the carrying value of the asset. All other grants are recognised as Income over the grant period.

Other government grants: A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

1.12 Inventories:

Inventories are valued at the lower of the cost (net of eligible input tax credits) or net realisable value.
Costs incurred in bringing each product to its present location and condition, are accounted for as follows:
• Raw materials, Packing materials & Stores and spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
• Finished goods: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.13 Non-Derivative Financial Instruments:

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

1.13.1 Initial Recognition-

All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added/ deducted to/from the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

1.13.2 Subsequent measurement-

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(i) Debt instruments at amortised cost

A debt instrument is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The amortisation of EIR is included in finance income in the profit or loss. The impairment losses and gain/loss on de-recognition are recognised in the profit or loss.

(ii) Debt instruments at fair value through other comprehensive income

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments under this category are measured at fair value at each reporting date. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit & loss. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL (residual category).

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

All equity instruments in scope of Ind AS 109 are measured at fair value by the Company. Equity investments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The classification is made on initial recognition and is irrecoverable.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(iv) Equity instruments measured at fair value through other comprehensive income

The Company has made an irrevocable election to present the subsequent fair value changes in 'other comprehensive income' for its investments in equity instruments that are not held for trading. Fair value changes on the instrument, impairment losses & reversals and foreign exchange gain or loss are recognized in the OCI. Dividends are recognised in the Profit &Loss. There is no recycling of the amounts from OCI to Profit & Loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Financial liabilities are classified in two measurement categories:

- Financial liability measured at amortised cost
- Financial liability measured at fair value through profit or loss

(i) Financial liabilities measured at fair value through profit or loss

include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

(ii) Financial liability measured at amortised cost

All other financial liabilities are subsequently carried at amortized cost using effective interest rate (EIR) method, thereby resulting in amortisation of transaction costs and interest expenses through Profit & Loss over the life of the instrument. The EIR amortisation is included as finance costs in the statement of profit and loss.

1.13.3 Reclassification of financial assets-

The company reclassifies its financial assets only when there is a change in entity's business model for managing its financial assets.

1.13.4 De-recognition of financial instruments-

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind. AS 109. A financial liability (or a part of a financial liability) is de-recognized when the obligation specified in the contract is discharged or cancelled or expires.

1.13.5 Impairment of financial assets-

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

a. **Trade receivables**
b. **Financial assets measured at amortized cost (other than trade receivables)**
c. **Financial assets measured at fair value through other comprehensive income.**

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets, the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss under the head 'Other expenses'.

1.13.6 Offsetting of financial instruments-

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.13.7 Income recognition-

a. Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

b. Dividend

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

1.13.8 Fair Value of Financial instruments-

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For trade and other receivables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.14 Derivative financial instruments:

Derivatives are initially recognised at fair value on the date of a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions (cash flow hedges).

The company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non current asset or liability when the remaining maturity of the hedged item is more than 12 months. It is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. When a hedging instrument expires, or is sold or terminated, when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

(ii) Net investment hedge

Hedges of net investments in foreign operations are accounted for similar to cash flow hedges.

(iii) Derivatives that are not designed as hedges

Derivatives not designated as hedges are recognized initially at fair value. Attributable transaction costs are recognized in the statement of profit and loss as and when incurred. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

1.15 Employee Benefits include:

(i) Short term employee benefits-

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The company recognises a liability and an expense for bonus only when it has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of obligation can be made.

(ii) Post employment benefits-

The company operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity: and

(b) Defined contribution plans such as provident and pension funds.

Defined Benefit Plans -The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Defined Contribution Plans- The Company pays provident fund contributions to publicly administered provident funds as per local regulations. It has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

1.16 Leases:

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a lessee

The company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.
Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Under Ind AS 17

In the comparative period, leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease unless the payments are structured to increase in line with the expected general inflation to compensate for the lessors expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

1.17 Non-Current Assets held for Sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

1.18 Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as
part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.
Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.19 Impairment of Non Financial Assets:

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An as-

set's recoverable amount is the higher of its fair value less costs of disposal and value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.20 Foreign Currency transactions:

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date.

Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the statement of profit and loss.

1.21 Cash Flow Statement:

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

1.22 Income Taxes:

Income tax expense comprises current and deferred income tax. Income- tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income-tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.23 Earnings Per Share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects all dilutive potential equity shares.

1.24 Provisions:

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate

of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.
Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

Note. 4 Significant accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

4.1 Property, Plant and Equipment & Investment Properties

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

4.2 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

4.3 Impairment of Financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4.4 Leases

The accounting of leases involves significant management judgement for identification, classification and measurement of lease transactions at the time of lease commencement. The assessment of the lease liability and Right of Use asset under lease arrangements are based on the assumptions and estimates of the discount rate, lease term including judgement for exercise of options to extend or terminate the contract, dismantling and restoration costs, escalation in rentals etc. Further, these will be continuously monitored at each reporting period to reflect the changes in the agreements and management estimates.

4.5 Employee benefits (gratuity)

The cost of the defined benefit plans and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

4.6 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the cost approach model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions that are existing at the end of each reporting period. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4.7 Contingencies

Management judgement is required for estimating the possible inflow/ outflow of resources, if any, in respect of contingencies/ claims/ litigations against the Company/ by the Company as it is not possible to predict the outcome of pending matters with accuracy.

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
COASTAL CORPORATION LIMITED,

Report on the Consolidated Ind AS financial statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **COASTAL CORPORATION LIMITED** ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows for the year ended on that date, and notes to the Consolidated Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the **Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements** section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

SL. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	**Valuation of Investments in Unquoted Equity Shares of M/s Coastal Developers Pvt Ltd and M/s Seagold Aqua Farms India Pvt Ltd**	
	The valuation of the investments involves judgement and continues to be an area of inherent risk because quoted prices are not readily available. Refer: Note 49.2 to the Standalone Ind AS financial statements	We assessed the managements' approach to valuation for these investments by performing the following procedures: • Understood and evaluated the procedure followed by the management to gather the data inputs used in the valuation models. • We assessed the appropriateness of the methodology applied in determining the fair value of the investments. • We evaluated the methodology and assumptions used by management, including reasonableness of the market value considered for immovable properties by comparing it with the guideline values determined by the State Government for similar properties. • We tested the calculation of the fair value based on the assumptions applied. • We found the disclosures in the standalone Ind AS financial statements to be appropriate. *Conclusion: Based on the work performed and the evidence obtained, we consider the methodology and assumptions used by management to be appropriate.*
2	**Purchase cost of Raw Shrimps**	
	Company procures its principle raw materials from the agents and farmers of aquaculture and the price of the same is highly volatile to the market conditions. The tentative prices of the raw shrimps are published by the local farmers of aquaculture through online app. acqubrahma.in. Based upon the production requirements, export commitments of the company and after considering the tentative prices, the management decides the price at which the raw materials have to be procured.	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • We have evaluated the design and tested the implementation of internal controls relating to procurement of raw materials and payments made to the agents and suppliers of the raw materials with source documentation. • We have performed the test of controls over procurement procedure to evaluate the operating effectiveness of the controls placed in recognition of the purchase costs. • We have performed test of details through correlating the raw materials procured with that of the material processed based on the production reports. • We tested the payments made to the suppliers based on the credit terms of payments. *Conclusion: Based on the work performed, we found the raw material costs recorded to be correct based on available evidence.*

Information Other than the Consolidated Ind AS financial statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/audit report of the other auditor, we conclude that there is a material misstatement of this "other information", we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, , the respective Board of Directors of the companies included in the Group responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are

appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

Materiality is the magnitude of misstatements in the Consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in para (a) of the "Other matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We did not audit the financial statements of the wholly owned subsidiary situated outside India, included in the consolidated financial results, whose financial statements reflects total assets of Rs 1415.24 Lakhs as at 31st March 2021, and total revenues of Rs.8133.98 Lakhs for the year ended March 31, 2021 and total net loss of Rs. (203.53)Lakhs for the year ended March 31, 2021 and net cash outflows of Rs.232.40 Lakhs for the year ended March 31, 2021 as considered in the statement. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other

auditor and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to the financial statements and the operating effectiveness of such controls, refer to our separate Report in "***Annexure A***". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Group does not have any pending litigations that would impact its financial position.

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There is no amount which is required to be transferred to the Investor Education and Protection Fund by the company.

For, BRAHMAYYA & CO.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. RAMANA RAO
Partner
Partner Membership No. 018545
UDIN: 21018545AAAADX3927

Place: Visahakapatnam
Date: 29.06.2021

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Coastal Corporation Limited** of even date)

Report on the Internal Financial Controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the Internal Financial Controls with reference to the financial statements of COASTAL CORPORATION LIMITED (hereinafter referred to as "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to the financial statements issued by the Institute of Chartered Accountants of India (" the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Internal Financial Controls with reference to the financial statements of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to the financial statements (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to the financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls with reference to the financial statements included obtaining an understanding of Internal Financial Controls with reference to the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to the financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in

accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the financial statements

Because of the inherent limitations of Internal Financial Controls with reference to the financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls with reference to the financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such Internal Financial Controls with reference to the financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to the financial statements issued by the Institute of Chartered Accountants of India.

For, BRAHMAYYA & CO.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. RAMANA RAO
Partner
Partner Membership No. 018545
UDIN: 21018545AAAADX3927

Place: Visahakapatnam
Date: 29.06.2021

Consolidated Balance Sheet as at March 31, 2021

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
I. ASSETS			
(1) Non Current Assets			
(a) Property, plant and equipment	2	4,418.21	3,545.27
(b) Capital work in progress	3	3,232.45	229.93
(c) Right of Use asset	4	628.06	313.25
(d) Investment Property	5	1,176.83	1,095.29
(e) Financial assets		-	
(i) Investments	6	218.30	141.00
(ii) Loans	7	129.17	111.45
(iii) Other financial assets	8	647.11	1,217.80
(h) Other non current assets	9	1,249.61	675.03
		11,699.74	**7,329.02**
(2) Current Assets			
(a) Inventories	10	10,094.88	10,329.94
(b) Financial assets:			
(i) Trade receivables	11	2,867.41	3,755.29
(ii) Cash & cash equivalents	12	1,918.11	1,539.88
(iii) Bank balances other than above	13	2,944.54	3,063.36
(iv) Other financial assets	14	126.47	-
(c) Current Tax Assets (Net)	15	76.62	275.57
(d) Other current assets	16	3,061.76	1,765.97
		21,089.79	**20,730.01**
Total Assets		**32,789.53**	**28,059.03**

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	17	1,067.88	1,016.88
(b) Other equity	18	16,509.31	13,301.92
Total Equity		**17,577.19**	**14,318.80**
(2) Non Current Liabilities			
(a) Financial liabilities:			
(i) Borrowings	19	1,544.10	20.89
(ii) Trade payables		-	-
(iii) Lease liabilities	4a(i)B	47.72	5.43
(iv) Other financial liabilities	20	117.05	13.00
(b) Provisions	21	91.72	113.46
(c) Deferred Tax Liability (Net)	22	171.28	147.92
		1,971.87	**300.70**
(3) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	23	12,234.34	11,152.48
(ii) Trade payables	24	386.18	1,509.50
(iii) Lease liabilities	4a(i)B	6.58	3.19
(iv) Other financial liabilities	25	245.57	404.20
(b) Provisions	26	15.87	5.88
(c) Other Current Liabilities	27	351.93	364.28
		13,240.47	**13,439.53**
Total Equity and Liabilities		**32,789.53**	**28,059.03**
Summary of significant accounting policies The accompanying notes are an integral part of the standalone financial statements			

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

for, Brahmayya & Co.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. Ramana Rao
Partner Membership No. 018545
Place: Visahakapatnam
Date: 29.06.2021

for, and on behalf of the Board

Sd/-
T.Valsaraj
Vice Chairman & Managing Director
(DIN: 00057558)

Sd/-
G.V.V.Satyanarayana
Director (Finance)
(DIN: 00187006)

Sd/-
Swaroopa Meruva
Company Secretary
Place: Visahakapatnam
Date: 29.06.2021

Consolidated Statement of Profit and Loss for the period ended March 31, 2021

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

Particulars	Note	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I. INCOME			
Revenue from Operations			
Sale Of Manufactured goods	28	39,219.66	54,974.91
Sale of Trading Goods	29	8,128.17	5,452.84
Other Income		845.97	1,481.09
Total Revenue (I)		**48,193.80**	**61,908.84**
II. EXPENSES			
Cost of Materials Consumed	30	28,093.66	39,502.58
Cost of Sale of Trading goods		7,010.25	4,289.87
(Increase)/Decrease in Inventories of Finished Goods	31	(806.08)	996.32
Operating expenses	32	5,430.34	6,080.32
Employee Benefits Expenses	33	1,416.43	1,466.74
Finance cost	34	429.52	685.00
Depreciation and Amortisation	35	353.20	331.96
Other Expenses	36	3,653.32	4,092.76
Total Expenses (II)		**45,580.64**	**57,445.55**
III. Profit Before Tax (I - II)		**2,613.16**	**4,463.29**
IV. Tax Expense	37		
Current tax		725.31	1,130.00
Tax relating to earlier years		10.98	(32.29)
MAT credit Entitlement		(1.54)	-
Deferred tax charge/ (credit)		37.07	(42.43)
			1,055.28
		771.82	
V. Profit for the year (III - IV)		**1,841.34**	**3,408.01**

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

Particulars	Note	For the year ended 31st March, 2021	For the year ended 31st March, 2020
VI. OTHER COMPREHENSIVE INCOME (OCI)			
A. Items that will not be reclassified to profit or loss in subsequent periods:			
(i) Remeasurement gains/(losses) on the defined benefit plans		(54.47)	(40.82)
Income tax effect on the above			
(ii) Remeasurement gains/(losses) on Equity instruments		13.71	10.27
measured at FVTOCI		77.30	
B. Items that will be reclassified to profit or loss in subsequent periods:		-	
(i) Remeasurement gain/(loss) on the cash flow hedging instrument		27.29	(129.41)
(ii) Exchange differences on translation of foreign operations		(21.22)	89.48
Total other comprehensive income for the year, net of tax		42.61	(70.47)
Total comprehensive income for the year, net of tax (V + VI)		**1,883.95**	**3,337.54**
	38		
Earnings Per Equity Share			
Basic (Rs.)		18.10	33.51
Diluted (Rs.)		17.89	33.51
	1		
Summary of significant accounting policies			

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

for, Brahmayya & Co.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. Ramana Rao
Partner Membership No. 018545
Place: Visahakapatnam
Date: 29.06.2021

for, and on behalf of the Board

Sd/-
T.Valsaraj
Vice Chairman & Managing Director
(DIN: 00057558)

Sd/-
G.V.V.Satyanarayana
Director (Finance)
(DIN: 00187006)

Sd/-
Swaroopa Meruva
Company Secretary
Place: Visahakapatnam
Date: 29.06.2021

Consolidated Statement of Cash Flows for year ended March 31, 2021

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(A)	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	2613.16	4,463.29
	Adjustments for :		
	Depreciation of property, plant and equipment	335.40	317.95
	Depreciation on investment property	9.56	9.05
	Amortisation of intangible assets		-
	Amortisation of right of-use asset	8.24	4.96
	Profit on sale of fixed assets (net)	0	(0.55)
	Loss on sale of fixed assets (net)	1.25	-
	Interest income	(263.93)	(220.54)
	Interest expense	293.64	619.84
	Unrealised foreign exchange gain (foreign subsidiary)	(21.22)	89.49
	Interest expense on lease liabilities	28.83	0.41
	Gratuity and compensated absences	(66.21)	19.23
	Operating profit before working capital changes	**2,938.71**	**5,303.11**
	Movement in working capital:		
	(increase)/decrease in inventories	235.05	1,147.21
	(increase)/decrease in trade receivables	887.88	3,111.14
	(increase)/decrease in other receivables	(1,238.58)	(600.72)
	increase/(decrease) in trade payables	(1,123.32)	(2,040.03)
	increase/(decrease) in other payables	(66.93)	(494.15)
	Cash generated from operations	**1,632.80**	**6,426.56**
	Income tax paid	(771.05)	(1,402.30)
	Net cash flows from operating activities (A)	**861.75**	**5,024.26**
(B)	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment, including intangible assets	(1,310.70)	(547.00)
	Increase in Capital work in progress	(3,002.52)	7.50
	Proceeds from sale of property, plant and equipment	9.66	4.00
	Government Grant Received		-
	Proceeds from sale of investments in deposits		-
	Interest received	263.93	220.68
	Net cash flows used in investing activities (B)	**(4,039.63)**	**(314.82)**

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(C)	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Cash proceeds from issue of equity shares	51.00	-
	Proceeds from Securities Premium	902.70	-
	Repayment of long - term borrowings (net)	1523.21	(97.38)
	Repayment from short - term borrowings (net)	1081.86	(1,557.47)
	Payment towards lease rentals	(306.20)	(310.00)
	Issue of equity Share Warrants	420.75	
	Dividend paid	-	(305.06)
	Tax on dividend	-	(62.72)
	Interest paid	(293.64)	(619.84)
	Net cash flows from financing activities (C)	**3,379.67**	**(2,952.47)**
	Net decrease in cash and cash equivalents (A+B+C)	201.78	1,756.98
	Cash and cash equivalents at the beginning of the year	4,541.45	2,784.47
	Cash and cash equivalents at the year end	**4,743.23**	**4,541.45**

Components of cash and cash equivalents:

Cash on hand	1.06	1.31
Balances with banks		
-On current accounts	1,917.05	1,538.57
-On deposits accounts	2,825.12	3,001.57
Total cash and cash Equivalents	**4,743.23**	**4,541.45**

As per our report of even date

for, Brahmayya & Co.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. Ramana Rao
Partner Membership No. 018545
Place: Visahakapatnam
Date: 29.06.2021

for, and on behalf of the Board

Sd/-
T.Valsaraj
Vice Chairman & Managing Director
(DIN: 00057558)

Sd/-
G.V.V.Satyanarayana
Director (Finance)
(DIN: 00187006)

Sd/-
Swaroopa Meruva
Company Secretary
Place: Visahakapatnam
Date: 29.06.2021

Consolidated Statement of Changes in Equity for the period ended March 31, 2021

A. EQUITY SHARE CAPITAL

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

Particulars	No.	Amount
Equity Shares of Rs.10 each fully paid up		
Balance at the beginning of the reporting period	10,168,800	1,016.88
Changes in equity share capital during the year	5,10,000	51.00
Balance at the end of the reporting period	**1,06,78,800**	**1067.88**

B. OTHER EQUITY

	Particulars	Balance as on 01.04.2020	Total comprehensive income for the year	Dividends	Transfer to retained earnings*	Any other change (to be specified)	Balance as on 31.03.2021
Reserves & Surplus	Securities Premium Reserve	46.95	902.70	-	-	-	**949.65**
	General Reserve	108.61	-	-	-	-	**108.61**
	Retained Earnings	13,232.33	1,841.34	-	(129.41)	-	**14,944.26**
	Cash Flow Hedging Reserve	(129.41)	27.29	-	129.41	-	**27.29**
	Foreign Currency Translation Reserve	84.96	(21.22)	-	-	-	**63.74**
	Share Application Money		420.75				**420.75**
	Remeasurement gains/(losses) on Equity instruments measured at FVTOCI		77.30				**77.30**
	Remeasurement gains/(losses) on the defined benefit obligations	(41.53)	(40.76)	-	-	-	**(82.29)**
Total		**13,301.92**	**3,207.40**	**-**	**-**	**-**	**16,509.31**

*Represents the restatement of Company's investment in its wholly owned foreign subsidiary company up to 31.03.2020.
The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

for, Brahmayya & Co.
Chartered Accountants
Firm Reg No. 000513S

Sd/-
C.V. Ramana Rao
Partner Membership No. 018545
Place: Visahakapatnam
Date: 29.06.2021

for, and on behalf of the Board

Sd/-
T.Valsaraj
Vice Chairman & Managing Director
(DIN: 00057558)

Sd/-
G.V.V.Satyanarayana
Director (Finance)
(DIN: 00187006)

Sd/-
Swaroopa Meruva
Company Secretary
Place: Visahakapatnam
Date: 29.06.2021

Consolidated Notes to Financial Statements for the period ended March, 2021

2. Property, plant and equipment

(All amounts in Lakhs Rupees except for share data or as otherwise stated)

Fixed Assets	Gross Block				Depreciation				Net Block	
	Balance as at 01.04.2020	Addi-tions	(Dispos-als)	Balance as at 31.03.2021	Upto 01.04.2020	For the year	On disposals	Total upto 31.03.2021	Balance as at 31.03.2021	Balance as at 31.03.2020
Freehold land	275.45	269.63	-	545.08	-	-		-	545.08	275.45
Buildings	1,923.79	115.82		2,039.61	401.34	60.27		461.61	1,578.00	1,522.45
Plant and equipment	2,418.40	501.10		2,919.50	1,016.40	187.42		1,203.82	1,715.68	1,402.00
Furniture and Fixtures	105.14	5.20		110.34	68.92	9.11		78.03	32.31	36.22
Computers	28.74	2.26		31.00	24.78	2.15		26.93	4.07	3.96
Vehicles	763.33	336.61	210.34	889.60	487.90	71.14	157.58	401.46	488.14	275.43
Office Equipment	105.22	30.48		135.70	75.46	5.31		80.77	54.93	29.76
Roads	4.06			4.06	4.06	-		4.06	-	-
Total	5,624.13	1,261.10	210.34	6,674.89	2,078.86	335.40	157.58	2,256.68	4,418.21	3,545.27
Previous year	5,086.98	547.00	9.85	5,624.13	1,767.29	317.97	6.40	2,078.86	3,545.27	3,319.69

5 Investment properties

Fixed Assets	Gross Block				Depreciation				Net Block	
	Balance as at 01.04.2020	Addi-tions	(Dispos-als)	Balance as at 31.03.2021	Upto 01.04.2020	For the year	On disposals	Total upto 31.03.2021	Balance as at 31.03.2021	Balance as at 31.03.2020
Freehold land*	733.39	10.49	-	743.88	-	-		-	743.88	733.39
Buildings	392.06	80.61	-	472.67	30.16	9.56		39.72	432.95	361.90
Total	1,125.45	91.10	-	1,216.55	30.16	9.56	-	39.72	1,176.83	1,095.29
Previous year	1,125.45	-		1,125.45	21.11	9.05	-	30.16	1,095.29	1,104.34

*Freehold land includes land of 28.49 acres situated in survey no: 206-4E1 in Tenerala village, procured in the year 2017-18. The cost of said land includes the cost of coconut trees procured along with the land and the same has to be recognised as plant, property and equipment as per Ind AS 16. As the cost of bearer plants are not reliably measured, the same has not been recognised as PPE in the books of account.

5a Information regarding income and expenditure of Investment properties

Particulars	2020-21	2019-20
Rental income derived from investment properties	32.80	49.15
Direct operating expenses (including repairs and maintenance) generating rental income	3.62	2.29
Direct operating expenses (including repairs and maintenance) that did not generating rental income	0.00	0.00
Profit arising from Investment properties before depreciation and indirect expenses	29.18	46.86
Less: Depreciation	9.56	9.05
Profit arising from Investment Properties before indirect expenses	19.62	37.81

5b Disclosure of Fair values of the Investment properties

Particulars	31st March 2021	31st March 2020
Freehold Land	1,704.43	1,234.35
Buildings	369.87	369.87

5c Estimation of fair value

The group obtains valuations for its investment properties at least once in a three years from a Independent Valuer. The fair values of investment properties have been determined by V J R Associates& Techno Design Govt. Registered Valuers & Chartered Engineers. The best evidence of fair value is current prices in an active market for similar properties. The valuer has considered the current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect the differences with regard to availability of the infrastructure facilities, locality of the property and market demand for those properties. All resulting fair value estimates for investment properties are included in level 3.

4 Right of Use assets

Particulars	Leasehold Land	Total
Balance as at March 31, 2020	313.25	313.25
Additions	323.05	323.05
Disposals	-	-
Amortisation	8.24	8.24
Balance as at March 31, 2021	628.06	628.06

4a. Leases

(i) As Lessee

A. Movement in lease liabilities

Particulars	Lease Liabilities
Balance as at 01-04-2020	8.62
Additional lease obligations recognised	308.10
Unused amounts reversed	0
Interest expense on lease liabilities	28.83
Amounts paid during the year	291.25
Balance as at 31-03-2021	54.30

B. Maturity analysis of lease liabilities

Particulars	Leasehold Land
Less than 1 year	6.58
1 to 5 years	3.67
More than 5 years	41.45
Total undiscounted lease liabilities at 31 March 2021	51.70
Lease liabilities included in the statement of financial position at 31st March 2021	54.30
Current	6.58
Non Current	47.72

C. Amounts recognised in profit or loss

Particulars	Amount in Lakhs
Interest on lease liabilities	28.83
Variable lease payments not included in the measurement of lease liabilities	0
Income from sub-leasing right-of-use assets	0
Expenses relating to short-term leases	0
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	0

(iii) As Lessor - Operating leases

The group has entered into operating leases on its commercial buildings. These leases have terms ranging between 5 and 8 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The total contingent rents recognised as income during the year is Rs. 32.80 Lakhs (31 March 2020: Rs. 49.15 Lakhs). Future minimum rentals receivable under non-cancellable operating leases as at 31 March are, as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Within one year	16.80	49.15
After one year but not more than five years	0.00	121.87
More than five years	0.00	0.69

3. Capital work in progress

Particulars	As at March 31, 2021	As at March 31, 2020
Capital works in progress:		
a. Civil works under progress	3,232.45	82.23
b. Capital stock in Stores	-	147.70
Total	3,232.45	229.93

6 . Non Current Financial assets - Investments

Particulars	As at March 31, 2021	As at March 31, 2020
Other unquoted investments (designated at FVTOCI)		
(i) 7,00,000 (March 31, 2019: 7,00,000) Equity Shares of Rs.10 each of Coastal Developers Pvt Ltd	126.00	70.00
(ii) 7,10,000 (March 31, 2019: 7,10,000) Equity Shares of Rs.10 each of Seagold Aqua Farms India Pvt Ltd	92.30	71.00
Total	**218.30**	**141.00**

6a Details of Material Subsidiaries

Name and Principal Place of Business	Proportion of Ownership Interest/ Voting Rights	
	As at March 31, 2021	As at March 31, 2020
"Continental Fisheries India Pvt Ltd Principal Place of Business:15-1-37/2, Jayaprada Apartments, Nowroji Road, Visakahapatnam-"	**100.00%**	**100.00%**
"Seacrest Seafoods Inc. Principal Place of Business: 7855 NW 12th Street, Suite 221, Miami, Florida"	**100.00%**	**100.00%**

6b Reasons for Investments in Equity Instruments designated to be measured at Fair Value through Other Comprehensive Income

The Company has elected an irrevocable option of classifying the non current investments under fair value through other comprehensive income as they are not held primarily for trading.

7. Non Current Financial assets - Loans

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless otherwise stated:		
Security Deposits	129.17	111.45
Loan to Subsidiary company	-	-
Total	**129.17**	**111.45**

8. Non Current Financial assets - Others

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
- Deposits with original maturity of more than 12 months	594.08	1141.15
Interest Accrued on Deposits	53.03	76.65
Total	**647.11**	**1,217.80**

9. Other non current assets

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless otherwise stated:		
Capital Advances	1249.61	675.03
Total	**1,249.61**	**675.03**

10. Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
(At lower of cost and net realisable value)		
Raw Materials	0.00	-
Finished Goods	9715.04	10046.21
Stores, spares and packing materials	379.84	283.73
Total	**10,094.88**	**10,329.94**

11. Trade Receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Unsecured, Considered Good and due for less than six months *	2865.78	3753.66
Doubtful	4.23	4.23
	2,870.01	**3,757.89**
Less: Allowance for credit losses	2.60	2.60
	2,867.41	**3,755.29**

Trade receivables are non-interest bearing and are generally on terms of 30 - 90 days.

12. Cash & cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks:		
- On Current Accounts	1872.92	1492.59
- On Earmarked Balances (Unpaid Dividend accounts - less than seven years)	44.13	45.98
Cash on hand	1.06	1.31
	1,918.11	1,539.88

13. Bank balances other than above

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks:		
- Deposits with original maturity of more than three months but less than 12 months	2825.12	3001.57
Interest Accrued on Deposits	119.42	61.79
	2,944.54	3,063.36

14. Current Financial assets - Others

Particulars	As at March 31, 2021	As at March 31, 2020
Cash flows in hedging instruments	27.29	0.00
Interest Receivable	99.18	0.00
Total	**126.47**	-

15. Current Tax Assets (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Current tax assets		
Advance payment of Direct Taxes	775.09	1380.00
Income tax deducted at source	26.84	25.57
	801.93	1,405.57
Less:		
Current tax liabilities	725.31	1,130.00
Provision for Income Tax		
	76.62	**275.57**

16. Other current assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advances made to suppliers	348.95	108.98
Export and other incentives receivable*	1040.36	993.32
Income tax Refund Receivable	274.92	39.05
Balances with revenue authorities	497.79	383.70
Prepaid expenses	223.31	159.29
Other assets	676.43	81.63
	0.00	-
	3,061.76	**1,765.97**

* Export and other incentives receivable has been recognized in the following manner:

a) Incentives in the form of duty credit scrips upon sale of exports under Merchandise Exports from India Scheme under Foreign Trade Policy of India

b) Sales tax incentive and reimbursement of power cost under the Andhra Pradesh state incentives IIPP 2010-15 scheme. There are no unfulfilled conditions or contingencies attached to these incentives.

17. Equity share capital

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised		
1,50,00,000 (March 31, 2020: 1,50,00,000) Equity shares of Rs.10/- each	1,500.00	1,500.00
Total	**1,500.00**	**1,500.00**
Issued, Subscribed and Paid Up		
1,06,78,800 (March 31, 2020: 1,01,68,800) Equity share of Rs.10/- each fully paid up	1,067.88	1,016.88
Total	**1,067.88**	**1,016.88**

A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	Rs.	No.	Rs.
Outstanding at the beginning of the year	10,168,800.00	1,016.88	10,168,800.00	1,016.88
Add : shares issued during the year	510,000.00	51.00	-	-
Outstanding at the end of the year	**10,678,800.00**	**1067.88**	**10,168,800.00**	**1,016.88**

B. Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share at the general meetings of the Company. 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 share holding. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

C. Issue of Bonus Shares

Pursuant to the approval of the shareholders on 16th May, 2018, record date for ascertaining the eligibility of the shareholders for receiving the bonus shares was fixed on 24th May, 2018 Accordingly, the Company has allotted 76,26,600 number of fully paid Bonus shares on 25th May, 2018 in the ratio of three equity share of Rs. 10 each fully paid up for every one existing equity shares of Rs. 10 each fully paid up.

Pursuant to the approval of the shareholders on 14th September, 2015, record date for ascertaining the eligibility of the shareholders for receiving the bonus shares was fixed on 1st October, 2015. Accordingly, the Company has allotted 12,71,100 number of fully paid Bonus shares on 3rd October, 2015 in the ratio of one equity share of Rs. 10 each fully paid up for every one existing equity shares of Rs. 10 each fully paid up.

D. Details of Shareholders holding more than 5% shares of the Company:

Particulars	As at March 31, 2021		As at March 31, 2020	
	% Holding	No.	% Holding	No.
Equity Shares of Rs. 10/- each Held By				
Haribabu Kambampati	7.32	781,600	7.69	781,600
T.V.R.Estates & Resorts Pvt Ltd	6.36	679,288	6.68	679,288
Satyasree Achanta	8.93	954,146	9.38	954,146
Aditya Achanta	9.43	1,07,240	12.68	1,289,800
T. Valsaraj	9.59	1,024,152	5.15	524,152

17. Other Equity

Particulars	As at March 31, 2021	As at March 31, 2020
a) Securities Premium	949.65	46.95
b) General Reserve	108.61	108.61
c) Retained Earnings	14,944.26	13232.33
d) Money received against share warrants	420.75	-
e) Other Comprehensive Income		
Foreign Exchange Translation Reserve	63.74	84.96
Re-measurement of Defined benefit plans	-82.29	-41.53
Re-measurement gain on Equity instruments measured at FVTOCI	27.29	-129.41
Cash flows hedging reserve	77.30	-
Total	**16,509.31**	**13,301.92**

Nature of reserves:

a) Securities premium : Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

b) General reserve : The general reserve is created by way of transfer of part of the profits before declaring dividend pursuant to the provisions of Companies Act, 1956.

c) Retained earnings : Retained earnings generally represents the undistributed profit amount of accumulated earnings of the company

d) Money received against share warrents

a. The company at its extraordinary general meeting held on 11th February, 2021 issued 14,10,000 number of share warrants convertible into 14,10,000 equity shares of the Company of the face value of Rs.10/- each.

b. Each warrant will be convertible into one equity share, the said right can be exercised at any time within a period of 18 months from the date of issue of such Warrants. 25% of the consideration is paid by the allottees to the Company upon issue and allotment of the warrants. The amount paid will be forfeited if the allottees of warrants have not exercised their right for conversion within a period of 18 months from the date of issue of warrants.

c. As on the balance sheet date, two of the allotees has exercised the right of converting the 5,10,000 share warrants into equity shares. The amount received against the share warrents are utilised for the proposed objects motioned in EGM notice .

d. Equity Shares to be issued and allotted by the Company on exercising of the option against the warrants, shall rank pari-passu in all respects with the then existing fully paid-up Equity Shares of the Company.

e) Other Comprehensive Income:

Other Comprehensive Income (OCI) represents the balance in equity for items to be accounted under OCI and comprises of:

A. Items that will not be reclassified to profit and loss

(i) The Company has made an irrevocable election to present the subsequent fair value changes of investments in OCI. This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value including tax effects. The company transfers restated fair value amounts from this reserve to retained earnings when the relevant financial instruments are disposed.

(ii) The actuarial gains and losses along with tax effects arising on defined benefit obligations are recognised in OCI.

B. Items that will be reclassified to profit and loss:

(i) The effective portion of changes in fair value of cash flow hedging instruments are recognised in OCI. The accumulated gains/losses will be reclassified to profit and loss in the periods when the hedged items affects profit or loss.

19. Non Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Loans Term Loans from a bank on hypothecation of Motor Vehicles (Terms of repayment: Refer note no. 39)	1544.10	20.89
Total	**1,544.10**	**20.89**

20. Non Current Financial Liabilities - Others

Particulars	As at March 31, 2021	As at March 31, 2020
Deposits Refundable	117.05	13.00
Total	**117.05**	**13.00**

21. Non Current Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits: - Gratuity (Funded)	91.72	113.46
Total	**91.72**	**113.46**

22. Deferred Tax Liability (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Major components of Deferred Tax Liabilities and Assets arising on account of timing difference are:		
Liability:		
- Difference between tax and book depreciation	205.42	178.28
Asset:		
- Expenditure charged to Statement of Profit & Loss in the current year but allowed for tax purposes on payment basis	27.08	30.04
- Difference between Lease rentals charged to Profit & Loss account and claimed for tax purposes	7.06	0.32
Deferred Tax Liability (net)	**171.28**	**147.92**

23. Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Loans repayable on demand: from Banks (Secured By hypothecation of raw materials, work in progress, finished goods, and book debts and collaterally secured by the fixed assets, both present and future, of the Company).	12234.34	11,152.48
Total	**12,234.34**	**11,152.48**

24. Current Financial Liabilities - Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Outstanding dues to creditors other than micro enterprises and small enterprises	228.92	1297.77
Outstanding dues to micro enterprises and small enterprises	157.26	211.73
Total	**386.18**	**1,509.50**

Dues to Small and Medium Enterprises:

(a) Principal amount and interest due thereon remaining unpaid	157.26	211.73
(b) Interest paid in terms of Section 16 of MSMED Act, 2006		-
(c) Interest due and payable for the period of delay excluding interest specified under MSMED Act, 2006		-
(d) Interest accrued and remaining unpaid at the end of the year		-
(e) Further interest due and payable in terms of section 23 of MSMED Act, 2006		-

Terms and conditions of the above financial liabilities:
Trade payables are non-interest bearing and are normally settled on 30-120 days terms.

25. Current Financial Liabilities - Others

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debts	16.20	16.20
Outstanding dues towards Capital works	8.35	0.43
Cash flows in hedging instruments	0.00	129.41
Unclaimed dividends	44.09	45.89
Other liabilities	176.93	212.28
Total	**245.57**	**404.20**

26. Current Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits:		
- Gratuity (Funded)	15.87	5.88
Total	**15.87**	**5.88**

27. Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Advances received against sales	69.02	39.32
Statutory dues payable	86.54	110.57
Other liabilities	196.37	214.39
Total	**351.93**	**364.28**

28. Revenue from Operations

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of Products		
Income from Sale of Shrimp	37,150.74	50,398.94
Other Operating Revenue		
Export Incentives	2,068.93	4,575.98
Revenue from Operations	**39,219.66**	**54,974.91**

(A) Revenue disaggregation by industry vertical is as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Fixed price contracts	38442.975	50,398.94
Total	**38,442.98**	**50,398.94**

(B) Revenue disaggregation by geography is as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a. Domestic	-	87.84
b. Exports	38,150.52	50,311.10
Total	**38,150.52**	**50,398.94**

(C) Reconciliation of revenue recognized with the contracted price with customers is as follows

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Gross Revenue	38,442.98	56,117.09
Less: Sales Returns		265.31
Less: Amounts adjusted for Discounts, rebates, refunds etc		-
Revenue recognised in the statement of profit and loss	**38,442.98**	**55,851.78**

(D) Changes in advances received from customers (Contract liability) are as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	0	
Balance at the beginning of the year	0.23	0.99
Add: Amounts received during the year	0	0.23
Less: Revenue recognised during the year	0.23	0.99
Balance at the end of the year (Net)	**-**	**0.23**

(E) The details in respect of percentage of revenues generated from top customers are as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from 1st top customer	7165.26	10,765.29
Revenue from 2nd top customer	4668.51	4,006.60
Revenue from 3rd top customer	4544.08	3,521.22

(F) Other disclosures:

(i) The amounts receivable from customers become due after expiry of credit period which on an average is less than 90 days. There is no significant financing component in any transaction with the customers.
(ii) The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.

29. Other Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of agriculture produce		4.47
Lease rental income	32.80	49.15
Interest Income from:		
- Financial assets at amortised cost	265.29	220.26
- Others		0.28
Net Gain on Foreign Exchange Fluctuations	411.31	1,111.06
Refund of Anti Dumping Duty		14.53
Unclaimed credit balances written back	0.26	4.10
Net gain on disposal of property, plant and equipment		0.55
Grants Received under PMRPY Scheme	12.56	25.78
Grants Received under TMA Scheme for exporters	64.41	49.82
Refund of GST paid for earlier years		-
Other Misc Income	10.44	1.08
Freezing &Processing charges	8.75	
Insurance Claims	34.30	
Grants received from MPDA for exports	5.85	
Total	**845.97**	**1,481.09**

30. Cost of Materials Consumed

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Raw Materials Consumed		
Opening stock at the beginning of the year	0.00	155.11
Add : Purchases	28,093.66	39,347.47
Less : Sale of materials	0.00	0.00
Less : Closing stock at the end of the year/period	28,093.66	39,502.58
		0.00
	28,093.66	39,502.58

30A Cost of Sale of Trading goods

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cost of Sale of Trading goods	7,010.25	4,289.87

(A) Cost of Sale of Trading goods

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Raw Shrimps	28,366.99	39,502.58

31. (Increase)/Decrease in Inventories of Finished Goods

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening stock of inventories		
Finished goods of Shrimp	8,452.18	9,448.50
Closing stock of inventories		
Finished goods of Shrimp	9,258.26	8,452.18
Decrease/(Increase) in inventories of finished goods	**(806.08)**	**996.32**

32. Operating expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Consumption of stores, spares and consumables	1625.53	1,916.25
Processing charges	1,898.39	2,316.80
Power and Fuel	569.39	662.22
Repairs and maintenance:		
- Plant and Machinery	385.98	371.80
- Vehicles	344.88	330.97
Other operating charges	606.18	482.27
Total	**5430.34**	**6,080.32**

33. Employee Benefits Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and allowances	1,061.80	1,066.16
Contribution to provident fund and other funds	127.43	108.43
Gratuity expense	32.49	38.27
Managerial remuneration	165.12	225.53
Staff welfare expenses	29.60	28.35
Total	**1,416.43**	**1,466.74**

Employee benefit plans:

As per Indian Accounting Standard 19 "Employees' Benefits" the disclosures of Employee Benefits as defined in the Standard are given hereunder:

Defined Contributions Plans:

Contributions to Defined Contribution plans, recognized as expense for the year, are as under:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's Contributions to Provident and Pension Funds	97.96	82.76

Defined Benefit Plans:

A. The company provides for gratuity to the employees as per Payment of Gratuity Act,1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity is payable on retirement/resignation. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India.

B. The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the "Projected Unit Credit Method" which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

I. Reconciliation of opening and closing balances of Defined Benefit obligations

Particulars	Gratuity (Funded) This year	Gratuity (Funded) This year
Defined Benefit obligation at beginning of the year	260.06	**170.97**
Interest Cost	17.51	**13.64**
Current Service Cost	51.86	**35.86**
Benefits paid	(5.94)	**(0.89)**
Actuarial loss / (gain) on obligation	47.58	**40.48**
Defined Benefit obligation at year end	371.06	**260.06**

II. Reconciliation of opening and closing balances of fair value of plan assets

Particulars	Gratuity (Funded) This year	Gratuity (Funded) This year
Fair value of plan assets at beginning of the year	160.29	**131.26**
Interest Income	10.71	**11.23**
Contributions	105.29	**19.04**
Benefits paid	(5.94)	**(0.89)**
Re measurements - Return on Assets (Excluding Interest Income)	(6.88)	**(0.35)**
Fair value of plan assets as at the end of the year	263.46	**160.29**

III. Reconciliation of fair value of assets and obligations as at 31.3.2021

Particulars	Gratuity (Funded) 31 March,2021	Gratuity (Funded) 31 March,2021
Fair value of plan assets	263.46	160.29
Present value of obligation	371.06	260.06
Amount recognized as liability in Balance sheet	-107.60	-99.77

Company is maintaining the planned assets through a group policy with Life Insurance Corporation of India

IV. Expenses recognized during the year in the Statement of Profit & Loss under employee benefit expenses

Particulars	Gratuity (Funded) This year	Gratuity (Funded) This year
Current Service Cost	25.70	35.86
Interest Cost	17.51	13.64
Expected return on plan assets	(10.71)	(11.23)
Actuarial (gain)/ loss		-
Expenses recognized in the statement of Profit & Loss	**32.50**	**38.27**

V. Amount to be recognized in statement of other comprehensive income

Particulars	Gratuity (Funded) This year	Gratuity (Funded) This year
Re measurements of the net defined benefit liability/ (asset)	47.584	40.48
(Return)/loss on plan assets excluding interest income	6.884	0.35
Expenses recognized in the statement of Other Comprehensive Income	54.47	40.82

Particulars	Gratuity (Funded) This year	Gratuity (Funded) This year
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(5.01)	36.69
(Gain)/loss from change in experience adjustments	52.59	3.78

VI. Significant estimates: acturial assumptions

Particulars	March 31, 2021	March 31, 2020
Discount rate	**6.91%**	**6.81%**
Salary escalation rate	**10.00%**	**10.00%**
Mortality rate	**100.00%**	**100.00%**
Withdrawal rate	**3.00%**	**3.00%v**

VII. Maturity Profile of Defined Benefit Obligations:

Particulars	Gratuity This year	Gratuity This year
Expected outflow in year1	**15.87**	5.88
Expected outflow in year2	**15.71**	12.75
Expected outflow in year3	**21.93**	12.68
Expected outflow in year4	**11.93**	17.62
Expected outflow in year5	**21.35**	8.42
Expected outflow in year6	**16.28**	15.15
Expected outflow in year7	**25.73**	14.43
Expected outflow in year8	**16.2**	13.43
Expected outflow in year9	**28.62**	12.84
Expected outflow in year10	**30.60**	19.97

VIII. Significant estimates : Sensitivity analysis

Discount rate,Salary Escalation Rate and Attrition/Withdrawl rate are significant actuarial assumptions.The change in Present value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

Particulars	Change of assumption (+increase/ - decrease)	Effect on gratuity valuation This year	Effect on gratuity valuation This year
Impact on present value of defined benefit obligation if			
- discount rate increase by	+1%	**326.13**	**228.67**
- discount rate decrease by	-1%	**426.14**	**298.39**
- salary increase by	+1%	**418.92**	**292.60**
- salary decrease by	-1%	**328.96**	**230.80**
- withdrawl/attrition increase by	+1%	**360.56**	**252.47**
- withdrawl/attrition decrease by	-1%	**383.46**	**269.00**

IX. Other Disclosures

Particulars	Gratuity This year	Gratuity This year
a) Best Estimate Contribution during the next year	**107.59**	**99.77**
b) Discontinuance liability	**252.98**	**174.91**

As per the enterprise's accounting policy actuarial gains and losses are recognized immediately during the same year itself.
The above information is certified by the Actuary.

34. Finance cost

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Expense	311.94	619.84
Interest expense on lease liabilities	28.83	0.41
Bank charges	88.75	64.75
Total	**429.52**	**685.00**

35. Depreciation and Amortisation

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on plant, property and equipment	335.40	317.95
Depreciation on investment property	9.56	9.05
Amortisation on right-of-use assets	8.24	4.96
Total	**353.20**	**331.96**

36. Other Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rates & Taxes	508.36	966.08
Insurance	201.17	212.95
Directors' Sitting Fees	5.39	3.95
Auditors' Remuneration	0.00	0.00
for Audit Fees	3.90	3.90
for Taxation Matters	0.58	0.00
Travelling & Conveyance expenses	60.64	70.55
Donations	1.15	31.45
Legal and Professional fees	203.14	201.15
Commission on Sales	95.27	230.41
Selling and distribution expenses	2,320.34	2,267.85
Net Loss on Sale of PPE	0.81	-
Miscellaneous Expenses	114.04	104.47
C.S.R.Expenses	138.54	
Total	**3,653.32**	**4,092.76**

37. Income Tax Expense

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax		
- Based on provisions u/s 115BAA of the Income Tax Act, 1961	725.31	**1,130.00**
Deferred tax		
Decrease /(increase) in Deferred Tax Assets	(3.79)	**(9.64)**
Increase /(decrease) in Deferred Tax Liability	27.15	**(43.07)**
Total Income Tax Expense	**748.67**	**1,077.29**

(A) Deferred Tax Expense/ (Income)

Expense/ (Income) recognised for the year ended	For the year ended March 31, 2021	For the year ended March 31, 2020
Deferred tax (liability)/ Asset recognised in statement of profit or loss	**37.07**	**(42.43)**
Deferred tax (liability)/ Asset recognised in Other Comprehensive Income	**(13.71)**	**10.27**
Deferred tax recognised in Total Comprehensive Income	**23.36**	**(32.16)**

(B) Reconciliation of tax expense and the accounting profit multiplied by tax rate

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit from continuing operation before income tax expense	**2,613.16**	**4,463.29**
Profit from discontinuing operation before income tax expense		**-**
Total	**2,613.16**	**4,463.29**
Tax @ 25.168% (31st March, 2019: 34.944%)	**708.90**	**1,123.32**
"Tax effectof amount which are not deductible (taxable) in calculating taxable income:"		
Goodwill impairment		
Amortization of other intangibles		
Weighted deduction on research and development expenditure		
Corporate social responsibility expenditure		
Employee share based payment expense	**34.87**	
Contingent consideration		
Other Items	**8.92**	10.86
Differences in Domestic tax rates		(56.89)
Adjustments of current tax of prior periods	**1.65**	
Tax losses for which no deferred income tax was recognised		
Previously unrecognised tax losses now recouped to reduce current tax expense	**(5.67)**	
Previously unrecognised tax losses used to reduce deferred tax expenses		
Income Tax expense	**748.67**	**1,077.29**

(C) Components of Tax expense

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Current tax expense	725.31	1,130.00
b) Amount of deferred tax expense (income) relating to the origination and reversal of temporary differences	24.53	4.18
c) Amount of deferred tax expense (income) relating to changes in tax rates or the imposition of new taxes		(56.89)
d) Amount of the benefit arising from a previously unrecognised tax loss, tax credit or temporary difference of a prior period that is used to reduce current tax expense		-
e) Amount of the benefit from a previously unrecognised tax loss, tax credit or temporary difference of a prior period that is used to reduce deferred tax expense		-

38. Particulars of Earnings Per Share

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit attributable to equity holders:		
Continuing operations	1841.34	3408.01
Discontinued operation		-
Profit attributable to equity holders of the parent for basic earnings	1841.34	3408.01
Interest on convertible preference shares		-
Profit attributable to equity holders of the parent adjusted for the effect of dilution	1841.34	3408.01

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Weighted average number of Equity shares for basic EPS*	10170797	10168800
Effect of dilution		-
Equity shares allocated for Share warrents	120821.92	-
Convertible preference shares		-
Weighted average number of Equity shares adjusted for the effect of dilution	10291619	10168800

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements

Earnings per equity share (for continuing operations)	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Basic	18.10	33.51
b) Diluted	17.89	33.51

39. Effective interest rate

Name of the Bank	Outstanding as on March 31, 2021	Outstanding as on March 31, 2020	No. of Instalments	Commencement of instalments	Effective interest rate
a) Secured loan from Bank of India - Car - shift dezire	0.00	0.30	36 equal monthly instalments of Rs.0.12	July 2015	"Base rate plus 2.00% p.a. (March 31, 2016 : Base rate plus 2.00 % p.a., April 01, 2015 : Base rate plus 2.00 % p.a.)"
b) Secured loan from Bank of India - Car- Audi	16.00	26.54	36 equal monthly instalments of Rs.0.95	October-2019	Flat Rate of interest 9.12%
c) Secured loan from Bank of India - Car- Creta	5.83	10.25	36 monthly instalments of Rs.0.39	August-2019	Flat Rate of interest 8.18%
d) Secured Loan From HDFC Bank- Term loan for KSEZ Plant	1538.47	0.00	20 quarterly instalments of Rs.100.00	June-2022	Flat Rate of interest 9.00%
Total	**1,560.30**	**37.09**			

40. Details of CSR expenditure

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Gross amount required to be spent by the Company during the year:	100.48	84.47
b) Amount spent during the year	164.47	1.49
(i) Construction/acquisition of any asset	0.00	0.00
(ii) On purposes other than (i) above	164.47	-

Note: The amount unspent as at March 31, 2020 is Rs. 192.33 lakhs, as at March 31, 2019 Rs. 109.34 lakhs

Description of the CSR Expenses spent under various Heads

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Details	Rs.	Details	Rs.
Purchase of new Ambulance and Ambulance Repairs & Maintenance		4.93		1.49
Expenditure on health care equipments – Purchase of humidifier & oxygen machine.		2.60		
Supply of Food grains to needy		13.94		
Amount paid Alluri Sitaramaraju Vignana Kendram towards Construction of Library		20.00		
Amount paid to Arunodaya Trust towards Women Empowerment through skills training towards economic support and self-reliance.		50.00		
Contribution towards Suraksha Old age and Health Society – Health, Poverty & Eradication of Hunger – oldage homes/orphan homes/ free covid/ medical camps/ food distribution.		20.00		
Amount paid to Global Helping Hands INC – Medical & health on present issues pandemic COVID – 19.		20.00		
Payments to M/s Association Saikorian – Campus Challenge on account of CSR expenses		5.40		
Payments to Touch Stone Charities for Eradicating hunger & poverty livelihood- for providing breakfast to Govt. schools situated around factory premises.		3.00		
Payments for bottle crusher – sanitization		4.48		
Supply of blankets		0.12		
PM Relief Fund		20.00		
Total		**164.47**		**1.49**

The amount unspent as at March 31, 2021 is Rs.128.34 lakhs , as at March 31, 2020 is Rs. 192.33 lakhs

41. Contingent liabilities/claims not provided for

Particulars	As at March 31, 2021	As at March 31, 2020
a. Unexpired Bank Guarantee issued in favour of:		
Against letters of credit (SBLC)	600.00	517.22
Outstanding Guarantees to Banks including Letters of Credit opened with Banks for supplier payments	27.79	21.40
b. Estimated amount of contracts remaining	3333.14	353.86

42. Assets pledged as security

The carrying amounts of assets pledged as security for current and non current borrowings are:

Particulars	Notes	March 31,2021	March 31,2020
Current assets			
Financial assets			
Trade receivables	11	3,015.70	3,847.95
Cash & cash equivalents	12		2.63
Bank balances other than above (ii)	13	1,341.46	686.34
Non-financial assets			
Inventories	10	8,924.64	7,767.06
Other Current assets	16	1,040.36	932.21

43. Segment information

The Company operates only in one business segment being the processing of Raw Shrimps and there are no geographical segments to be reported.

44. Related Party Disclosures

(i) Names of related parties and description of relationship

Key Management Personnel

Name of the Related Party	Relationship
(a) Sri T. Valsaraj	KMP (Managing Director)
(b) Sri.G.V.V.Satyanarayana	KMP (Whole-time Director)
(c) Smt. Swaroopa Meruva	KMP (Company Secretary)
(d) Smt. Jeeja Valsaraj	Relative of KMP
(e) Smt. Vijeta Valsaraj	Relative of KMP

Enterprises in which KMP or Relatives having significant influence

Name of the Related Party	Relationship
(a) M/s Continental Fisheries India Pvt Ltd	Wholly owned subsidiary
(b) M/s Seacrest Seafoods Inc.	Wholly owned subsidiary

(ii) Transactions during the year with related parties

Sl. No.	Name of the Party	Relationship	Nature of transaction	For the year ended March 31, 2021	For the year ended March 31, 2020
1)	**Sri T. Valsaraj**	KMP (MD)	Remuneration	107.07	147.35
2)	**Sri G.V.V.Satyanarayana**	KMP (WTD)	Remuneration	58.03	78.17
3)	**Smt. Jeeja Valsaraj**	Relative of KMP	Sitting fees	1.55	1.20
4)	**Smt. Vijeta Valsaraj**	Relative of KMP	Salary Amount paid	-	-
5)	**Smt. Swaroopa Meruva**	KMP (Company Secretary)	Salary Amount paid	- 11.59	- 10.29
6)	**Mis. Vineesha Valsaraj**	Relative of KMP	Salary Amount paid	3.00	3.00
7)	**Sri T. Vishwanath**	Relative of KMP	Labour charges Amount paid	251.40	158.63

(iii) Balance oustanding

Sl. No.	Name of the Party	Relationship	Nature of transaction	For the year ended March 31, 2021	For the year ended March 31, 2020
1)	**Sri T. Valsaraj**	KMP (MD)	Remuneration	10.05 Cr	53.13 Cr
2)	**Sri G.V.V.Satyanarayana**	KMP (WTD)	Remuneration	0.07 Cr	29.05 Cr
3)	**Smt. Vijeta Valsaraj**	Relative of KMP	Salary	0.14 Cr	0.14 Cr
4)	**Smt. Vineesha Valsaraj**	Relative of KMP	Salary	-	0.25 Cr

Note: All the aforesaid related party transactions were carried on at arm's length basis

45. Impairment of Assets

According to an internal technical assessment carried out by the Company, there is no impairment in the carrying cost of cash generating units of the Company in terms of Indian Accounting Standard 36 'Impairment Of Assets'

46. Impact of Covid 19

The Management has considered the possible effects, if any, that may result from COVID – 19 pandemic on amounts relating to trade receivables & inventories. In assessing the recoverability of receivables, the Company has considered internal and external information up to the date of approval of these financial results including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes and future economic conditions.

47. Balances Outstanding

Loans and Advances, Trade Receivables and Trade Payables are subject to confirmation.

48. Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with the current year figures.

49. FINANCIAL INSTRUMENTS

49.1 Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

Particulars	Amortized cost	Measured at fair value through profit loss		Measured at fair value through OCI		Total carrying value	Total Fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents	1,918.11	-			-	1,918.11	1,918.11
Investments:							
Unquoted equity instruments		-		218.30	-	218.30	218.30
Trade receivables		-			2,867.41	2,867.41	2,867.41
Loans		-				-	-
Other financial assets	3,591.65	-	129.17		27.29	3,748.11	3,748.11
Total	5,509.76	-	129.17	218.30	2,894.70	8,751.93	8,751.93
Liabilities:							
Trade payables	386.18	-	-	-	-	386.18	386.18
Other financial liabilities	14,141.06	-	-	-	-	14,141.06	14,141.06
Total	14,527.24	-	-	-	-	14,527.24	14,527.24

The carrying value and fair value of financial instruments by categories as of March 31, 2020 were as follows:

Particulars	Amortized cost	Measured at fair value through profit or loss		Measured at fair value through OCI		Total carrying value	Total Fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents	1,539.88	-	-		-	1,539.88	1,539.88
Investments:							
Unquoted equity instruments		-	-	141.00	-	141.00	141.00
Trade receivables		-			3,755.29	3,755.29	3,755.29
Loans		-				-	-
Other financial assets	4,281.16	-	111.45			4,392.62	4,392.62
Total	5,821.04	-	**111.45**	**141.00**	3,755.29	9,828.79	9,828.79
Liabilities:							
Trade payables	1,509.50	-	-	-	-	1,509.50	1,509.50
Other financial liabilities	11,590.57	-	-	-	-	11,590.57	11,590.57
Total	13,100.07	-	-	-	-	13,100.07	13,100.07

49.2 Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A) The following methods and assumptions were used to estimate the fair values

The fair value of cash and cash equivalents, trade receivables and payables, financial liabilities and assets approximate their carrying amount largely due to the short–term maturities of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values. The fair value of unquoted equity investments designated and recognised through Other Comprehensive Income has been determined by using the Cost approach technique through the net assets value method.

B) Fair value hierarchy

The fair value of financial instruments as referred to above note have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:
Level 1: Level 1 hierarchy includes inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2: Inputs that are observable either directly or indirectly for the asset or liability, other than quoted prices included within level 1.
Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

C) Statement showing the fair value hierarchy of the financial assets and liabilities measured at fair value on a recurring basis

Particulars	Fair Values as at		Fair Value Hierarchy
	31/3/2021	31/3/2020	
Financial Assets			
Trade receivables	2,867.41	3,755.29	Level 2
Other financial assets	129.17	111.45	Level 2
Investment in unquoted Equity Instruments	141.00	141.00	Level 3

D) Management's approach and the key assumptions used to determine the fair value under Level 3 hierarchy:

Cost approach is the valuation technique used for determination of the fair value of the unquoted equity instruments. It considers the present net worth of those companies. The latest audited financial statements, prevailing market/ recoverable values for the assets of respective companies and the amounts payable to discharge its liabilities are the unobservable inputs considered to arrive the fair values of the unquoted equity instruments.

E) Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets:

Particulars	Amount in Lakhs
Balance as at 1 April 2020	141.00
Re-measurement recognised in OCI	77.30
Purchases	-
Reclassified in discontinued operations	-
Sales	-
Balance as at 31 March 2021	218.30

49.3 Offsetting financial assets and financial liabilities as on March 31,2021

Particular	Effects of offsetting on the balance sheet			Related amounts not set off		Net amount
	Gross amount	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instruments collateral	
Financial assets				-		
Cash and cash equivalents	1,918.11	-	1,918.11	-		1,918.11
Trade receivables	2,867.41	-	2,867.41	-	2,867.41	-
Other financial assets	3,939.12	-	3,939.12	-		3,939.12
Derivative financial instruments	-	-	-			-
Financial liabilities				-		
Trade payables	386.18	-	386.18	-		386.18
Borrowings	13,794.64	-	13,794.64	-	2,867.41	10,927.23
Other financial liabilities	346.42	-	346.42	-		346.42
Derivative financial instruments	-	-	-			-

Offsetting financial assets and financial liabilities as on March 31,2020

Particulars	Effects of offsetting on the balance sheet			Related amounts not set off		Net amount
	Gross amount	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instruments collateral	
Financial assets						
Cash and cash equivalents	1,539.88	-	1,539.88	-		1,539.88
Trade receivables	3,755.29	-	3,755.29	-	3,755.29	-
Other financial assets	4,533.62	-	4,533.62	-		4,533.62
Derivative financial instruments	-	-	-	-		-
Financial liabilities	1,509.50	-	1,509.50			1,509.50
Trade payables	11,189.57	-	11,189.57	-	3,755.29	7,434.28
Borrowings	271.59	-	271.59	-		271.59
Other financial liabilities	129.41	-	129.41	-		129.41
Derivative financial instruments				-		

49.4 Financial risk management framework

A) The Groups's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The risk management framework aims at,
i) Improve financial risk awareness and risk transparency
ii) Identify, control and monitor key risks
iii) Identify risk accumulations
iv) Provide management with reliable information on the Company's risk situation
v) Improve financial returns

B) The Groups's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis, credit ratings	Credit Limits and Letters of Credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - Foreign exchange	Future commercial transactions. Recognised financial assets and liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting Sensitivity analysis	Cash flows hedging - Forward foreign exchange contracts
Market risk - Interest rate	Long term borrowings at fixed rates for one year	Sensitivity analysis	Credit rating
Market risk - Commercial risk	Price variations	Sensitivity analysis	Product manufacturing planning

a) Credit risk:

i) Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), from cash and cash equivalents, deposits with banks. The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis

ii) Financial assets that are neither past due nor impaired
Cash and cash equivalents, deposits with banks, security deposits, investments in securities are neither past due nor impaired. Cash and cash equivalents, deposits are held with banks which are reputed and credit worthy banking institutions. Hence the expected credit loss is negligible.
Investments in securities - the fair value of the securities determined are higher than the cost incurred by the company and having sufficient margin. Hence the expected credit loss is negligible.

iii) Financial assets that are past due but not impaired
Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The average credit period on sales of products is less than 90 days. All trade receivables are reviewed and assessed for default on a quarterly basis. For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected Credit Loss (%)
With in the Credit Period	0%
Up to 60 days past due	0.25%
60-90 days past due	0.5%
More than 90 days past due	1%

b) Liquidity risk:

i) Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet it's cash and collateral requirements at all times. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit line to meet obligations . Due to the dynamic nature of underlying business, company maintains flexibility in funding by maintaining availability under committed credit lines.

ii) Maturities of financial liabilities
The table below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non derivative financial liabilities:

As on March 31, 2021

Current maturities of financial liabilities	Less than 6 months	6 months to 12 months	Greater than 12 months	Total
Non derivatives				
Borrowings	12,234.34	-	1,544.10	13778.44
Trade payables	386.18	-	-	386.18
Other financial liabilities	237.47	8.10	117.05	362.62
Derivatives				
Cash flows in hedging instruments	-	-	-	-

As on March 31, 2020

Current maturities of financial liabilities	Less than 6 months	6 months to 12 months	Greater than 12 months	Total
Non derivatives	11,152.48	-	20.89	11173.37
Borrowings	1,509.50	-	-	1509.50
Trade payables	266.69	8.10	13.00	287.79
Other financial liabilities				
Derivatives		129.41		129.41
Cash flows in hedging instruments				

c) Market Risk

i) Interest Rate Risk -

The group's main interest rate risk arises from long term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Sensitivity to changes in interest rates **(Rs in Lakhs)**

Particulars	Impact on profit	
	FY 2020-21	FY 2019-20
Sensitivity Analysis of Borrowings		
Rate of Interest Increase by 1%		
Packing Credit Loan	**140.00**	82.75
	140.00	82.75
Rate of Interest Decrease by 1%	**(140.00)**	(82.75)
Packing Credit Loan		
	(140.00)	(82.75)

ii) Commercial risk -

The commercial risk is the risk due to the change in market prices of raw materials and finished goods and it is measured though sensitivity analysis by taking variance of 5%

1. Selling price risk

(Rs in Lakhs)

Particulars	Impact on profit	
	FY 2020-21	FY 2019-20
Selling Price Increase by 5%	1,857.54	2,519.95
Shrimp		
	1,857.54	2,519.95
Selling Price Decrease by 5%	(1,857.54)	(2,519.95)
Shrimp		
	(1,857.54)	(2,519.95)

2. Raw materials price risk

(Rs in Lakhs)

Particulars	Impact on profit	
	FY 2020-21	FY 2019-20
Raw materials price Increase by 5%		
Shrimp	(1,418.35)	(1,975.13)
	(1,418.35)	(1,975.13)
Raw materials price Decrease by 5%		
Shrimp	1418.35	1975.13
	1418.35	1975.129

iii) Foreign currency risk -

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US$. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency. The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The company's risk management policy is to hedge around 5% to 10% of forecasted foreign currency sales for subsequent 12 months and accordingly, foreign exchange forward contracts are taken to hedge the foreign exchange fluctuations on forecasted sales.

Foreign currency risk exposure at the end of the reporting periods:

(In US $)

Particulars	31st March 2021	31st March 2020
Financial assets		
Investments in foreign subsidiary company		
Loan to wholly owned foreign subsidiary	30.00	30.00
Trade receivables	2.00	-
Foreign exchange forward contracts	80.62	82.23
- Sell foreign currency		-
	112.62	112.23
Derivative liabilities		
Foreign exchange forward contracts		
- Sell foreign currency	30.00	69.00
	30.00	69.00

Sensitivity analysis

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges.

Particulars	Impact on Profit		Impact on OCI	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
USD sensitivity				
INR/USD - Increase by 10%	4527.89	5585.18	2.73	12.94
INR/USD - Decrease by 10%	-4527.89	-5585.18	-2.73	-12.94

49.5 Impact of hedging activities

a. Disclosure of effects of hedge accounting on financial position:

Particulars	Foreign exchange forward contracts	
	31st March 2021	31st March 2020
Nominal Value		
Assets		
Liabilities	2,242.15	5162.47
Carrying amount of hedging instrument		
Assets	27.29	
Liabilities		129.40
Maturity date	April to September	April to December
Hedge ratio	2020	2020
Weighted average strike price/rate	0.04	0.18
Changes in fair value of hedging instruments	74.74	74.82
Changes in the value of hedged item used as the basis for	27.29	129.40
recognising hedge effectiveness	27.29	-129.40

b. Disclosure of effects of hedge accounting on financial performance:

Particulars	Foreign exchange risk	
	31st March 2021	31st March 2020
Changes in the value of hedging instrument recognised in Other comprehensive income	27.29	129.40
Hedge ineffectiveness recognised in profit or loss	0.00	0.00
Amount reclassified from cash flow hedging reserve to profit or loss	-129.40	0.00
Line item affected in statement of profit and loss due to reclassification	0.00	0.00

c. Movements in cash flow hedging reserve

Risk Category	Foreign exchange risk	
Derivative instruments	**31st March 2021**	**31st March 2020**
Balance at the beginning of the year	-129.40	0.00
Add: Changes in discounted spot element of forward contracts	27.29	-129.40
Less: Amounts reclassified to profit or loss	-129.40	0.00
Balance at the end of the year	27.29	-129.40

49.6 Capital management

The group's objectives when managing capital is to safeguard their ability to continue as a going concern, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The company sets the amount of capital required on the basis of annual business and long term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The company tries to maintain an optimal capital structure to reduce cost of capital and monitors capital on the basis of debt-equity ratio.

Debt Equity Ratio

(Rs in Lakhs)

Particulars	FY 2020-21	FY 2019-20
Debt		
Borrowings-Non current	1544.10	20.89
Current maturities of long term debt	16.20	16.20
Total Debt	1560.30	37.09
Equity Share Capital	1067.88	1016.88
Other Equity	16509.31	13301.92
Total Equity	17577.19	14318.80
Debt to equity Ratio	0.09	0.00

Notes to the Consolidated Ind AS financial statements for the year ended March 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

Company Overview:

Coastal Corporation Limited was originally established as Coastal Trawlers Private Limited in the year 1981, subsequently converted into a public limited company in 1985. The name was changed to Coastal Corporation Limited in the year 2005. The Company is engaged in processing and export of sea food. The Company has its primary listings on the BSE Limited.

Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of **Coastal Corporation Limited**(the 'Company') and its subsidiaries.

1.1 Basis of preparation of financial statements:

1.1.1 Statement of compliance with Ind AS

The consolidated financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and guidelines issued by the Securities and Exchange Board of India (SEBI).

1.1.2 Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following –

- Certain financial instruments (including derivative instruments) which are measured at fair values,
- Assets held for sale measured at fair value less cost to be incurred to sell, and
- Defined benefit plans – plan assets measured at fair value.

1.2 Principles of consolidation:

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

The group combines the financial statements of its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

1.3 Foreign currency translation:

1.3.1 Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (INR), which is Coastal Corporation Limited's functional and presentation currency.

1.3.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the

transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to the part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

1.3.3 Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyper inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

1.4 Use of Estimates:

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies, the reported amount of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in **note 4**. Accounting estimates could change from period to period. Actual results could differ from the estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.5 Current versus Non-current classification:

All assets and liabilities in the balance sheet are presented based on current/ non-current classification.
An asset is treated as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle
- held primarily for the purpose of trading
- expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- expected to be settled in normal operating cycle
- held primarily for the purpose of trading
- due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

1.6 Revenue Recognition:

Revenue is recognised as and when the entity satisfies a performance obligation by transferring a promised goods or services (i. e an asset) to a customer and recovery of the consideration is probable. An asset is transferred when (or as) the customer obtains control of that asset, which is upon delivery in case of export sales made to USA and in other cases upon shipment of goods. Revenue is measured at the transaction price which is determined based on the terms of contract and entity's customary practice. Amounts disclosed as revenue are inclusive of duties, but exclusive of Goods and Service tax (GST), which the company pays as principal and net of returns, trade allowances, rebates, and taxes collected on behalf of the government.

1.6 Property, Plant and Equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical costless accumulated depreciation and impairment loss, if any. Historical cost includes all costs directly attributable to bringing the asset to the location and condition necessary for its intended use and initial estimation of dismantling and site restoration costs. Subsequent costs relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced.

Property, Plant and Equipment are componentized and are depreciated separately over their estimated useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. The residual values,useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is de-recognised.

Capital work in progress

Expenditure during construction/erection period is included under Capital Work-in-Progress and allocated to the respective fixed assets on completion of construction/erection. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during the trial period is credited to capital work in progress.

1.7 Investment Properties:

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is de-recognised.

Investment properties are depreciated using the straight line method over their estimated useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

1.8 Intangible assets:

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. The Group currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised.

1.9 Bearer plants:

Bearer plants are living plants used in the production or supply of agriculture produce. They are expected to bear produce for more than one period and have a remote likelihood of being sold as agriculture produce, except for incidental scrap sales. The Group's bearer plants comprise coconut trees and the same are presented and accounted for as "Property, Plant & Equipment"if they satisfy the recognition criteria.

Immature bearer plants are accounted for at accumulated cost, which consist mainly of the accumulated cost of land clearing, planting, fertilizing, up-keeping and maintaining the plantations, and allocations of indirect overhead costs up to the time the plants become commercially productive and available for harvest. Costs also include capitalized borrowing costs and other charges incurred in connection with the financing of the development of immature bearer plants. Immature bearer plants are not depreciated.

Immature bearer plants are reclassified to mature bearer plants when they are commercially productive and available for harvest. Mature bearer plants are stated at cost, and are depreciated using the straight-line method over their estimated useful lives. The useful lives and depreciation method are reviewed at each year end and adjusted prospectively, if necessary. The carrying amounts of bearer plants are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be fully recoverable.

The carrying amount of an item of bearer plants is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is directly included in profit or loss when the item is de-recognized. Upkeep and maintenance costs are recognized in profit or loss when they are incurred. The cost of major renovation and restoration is included in the carrying amount of the related asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the company, and is depreciated over the remaining useful life of the related asset.

1.10 Biological assets:

The Group's biological assets comprise agricultural produce of the bearer plants, which primarily comprise coconuts. Biological assets are stated at fair value less costs to sell at the point of harvest. Gains or losses arising on initial recognition of biological assets and from the change in fair value of biological assets at each reporting date are recognized in profit or loss for the period in which they arise.

The fair value of the biological assets is based on the quoted prices for coconuts in the market at the time of harvest. The group, in general, does not carry any inventory of agriculture produce at any given time as these are sold as and when harvested. Farming costs are expensed as incurred.

1.11 Government Grants:

Government Grants are recognised when the Group has a reasonable assurance that the entity will comply with all the conditions and the grants will be received. Grants related to depreciable assets are deducted while calculating the carrying value of the asset. All other grants are recognised as Income over the grant period.

Other government grants: A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

1.12 Inventories:

Inventories are valued at the lower of the cost (net of eligible input tax credits) or net realisable value.
Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

- Raw materials, Packing materials & Stores and spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- Finished goods: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.13 Non-Derivative Financial Instruments:

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

1.13.1 Initial Recognition-

All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added/ deducted to/from the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

1.13.2 Subsequent measurement-

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(i) Debt instruments at amortised cost

A debt instrument is subsequently measured at a mortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash-flows and the contractual terms of the financial asset give rise on specified dates to cash-flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The amortisation of EIR is included in finance income in the profit or loss. The impairment losses and gain/loss on de-recognition are recognised in the profit or loss.

(ii) Debt instruments at fair value through other comprehensive income

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments under this category are measured at fair value at each reporting date. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit & loss. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL (residual category).

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

All equity instruments in scope of Ind AS 109 are measured at fair value by the Group. Equity investments which are held for trading are classified as at FVTPL. For all other equity instruments, the group decides to classify the same either as at FVTOCI or FVTPL. The classification is made on initial recognition and is irrecoverable.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(iv) Equity instruments measured at fair value through other comprehensive income

The Group has made an irrevocable election to present the subsequent fair value changes in 'other comprehensive income' for its investments in equity instruments that are not held for trading. Fair value changes on the instrument, impairment losses & reversals and foreign exchange gain or loss are recognized in the OCI. Dividends are recognised in the Profit &Loss. There is no recycling

of the amounts from OCI to Profit & Loss, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Financial liabilities are classified in two measurement categories:

- Financial liability measured at amortised cost
- Financial liability measured at fair value through profit or loss

(i) Financial liabilities measured at fair value through profit or loss

include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. The group has not designated any financial liability as at fair value through profit and loss.

(ii) Financial liability measured at amortised cost

All other financial liabilities are subsequently carried at amortized cost using effective interest rate (EIR) method, thereby resulting in amortisation of transaction costs and interest expenses through Profit & Loss over the life of the instrument. The EIR amortisation is included as finance costs in the statement of profit and loss.

1.13.3 Reclassification of financial assets-

The group reclassifies its financial assets only when there is a change in entity's business model for managing its financial assets.

1.13.4 De-recognition of financial instruments-

The Group de-recognizes a financial asset when the contractual rights to the cash-flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind.AS109.A financial liability (or a part of a financial liability)is de-recognized when the obligation specified in the contract is discharged or can celled or expires.

1.13.5 Impairment of financial assets-

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

a. Trade receivables
b. Financial assets measured at amortized cost (other than trade receivables)
c. Financial assets measured at fair value through other comprehensive income.

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets, the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss under the head 'Other expenses'.

1.13.6 Offsetting of financial instruments-

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.13.7 Income recognition-

a. Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

b. Dividend

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic

benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

1.13.8 Fair Value of Financial instruments-

In determining the fair-value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair-value included is counted cash-flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair-value result in general approximation of value,and such value may never actually be realized. For trade and other receivables maturing within one year from the Balance Sheet date,the carrying amounts approximate fair value due to the short maturity of these instruments.

1.14 Derivative financial instruments:

Derivatives are initially recognised at fair value on the date of a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

The Group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions (cash flow hedges).

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non current asset or liability when the remaining maturity of the hedged item is more than 12 months. It is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.
When a hedging instrument expires, or is sold or terminated, when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

(ii) Net investment hedge

Hedges of net investments in foreign operations are accounted for similar to cash flow hedges.

(iii) Derivatives that are not designed as hedges

Derivatives not designated as hedges are recognized initially at fair value. Attributable transaction costs are recognized in the statement of profit and loss as and when incurred. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

1.15 Employee Benefits include:

(i) Short term employee benefits-

Liabilities for wages and salaries,including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The group recognises a liability and an expense for bonus only when it has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of obligation can be made.

(ii)Post employment benefits-

The group operates the following post-employment schemes:

(a) **Defined benefit plans such as gratuity: and**

(b) **Defined contribution plans such as provident and pension funds.**

Defined Benefit Plans -The liability or as set recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Defined Contribution Plans- The group pays provident fund contributions to publicly administered provident funds as per local regulations. It has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

1.16 Leases:

The group has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a lessee

The group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the group's estimate of the amount

expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The group has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Under Ind AS 17

In the comparative period, leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease unless the payments are structured to increase in line with the expected general inflation to compensate for the lessors expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

1.17 Non-Current Assets held for Sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. Again is recognised for any subsequent increases in fair value less costs to sell of an asset,but not in excess of any cumulative impairment loss previously recognised. Again or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

1.18 Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.19 Impairment of Non Financial Assets:

The group assesses,at each reporting date,whether there is an indication that an asset may be impaired. If any indication exists,or when annual impairment testing for an asset is required,the company estimates the asset's recover able amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and value in use. Recover able amount is determined for an individual asset,unless the asset does not generate cash in flows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount,the asset is considered impaired and is written down to its recoverable amount.

1.21 Cash Flow Statement:

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original

maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

1.22 Income Taxes:

Income tax expense comprises current and deferred income tax. Income-tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity,in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.
Deferred income-tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis,or to realize the asset and settle the liability simultaneously.

1.23 Earnings Per Share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects all dilutive potential equity shares.

1.24 Provisions:

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

Note. 4 Significant accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the group. Such changes are reflected in the assumptions when they occur.

4.1 Property, Plant and Equipment & Investment Properties

Property, plant and equipment represent a significant proportion of the asset base of the group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

4.2 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

4.3 Impairment of Financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4.4 Leases

The accounting of leases involves significant management judgement for identification, classification and measurement of lease transactions at the time of lease commencement. The assessment of the lease liability and Right of Use asset under lease arrangements are based on the assumptions and estimates of the discount rate, lease term including judgement for exercise of options to extend or terminate the contract, dismantling and restoration costs, escalation in rentals etc. Further, these will be continuously monitored at each reporting period to reflect the changes in the agreements and management estimates.

4.5 Employee benefits (gratuity)

The cost of the defined benefit plans and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

4.6 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the cost approach model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions that are existing at the end of each reporting period. Changes in assumptions about these

factors could affect the reported fair value of financial instruments.

4.7 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

4.8 Contingencies

Management judgement is required for estimating the possible inflow/ outflow of resources, if any, in respect of contingencies/ claims/ litigations against the group/ by the group as it is not possible to predict the outcome of pending matters with accuracy.

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