



## COASTAL CORPORATION LIMITED

CIN: L63040AP1981PLC003047

Regd. Office: DNo. 15-1-37/3, Jayaprada Apartments, Nowroji Road, Maharanieta, Visakhapatnam – 530002 Andhra Pradesh, India.

Ph: 0891-2567118 | Web: [www.coastalcorp.co.in](http://www.coastalcorp.co.in) | Email: [cclinvestors@gmail.com](mailto:cclinvestors@gmail.com)

### NOTICE OF POSTAL BALLOT

[Section 110 of the Companies Act, 2013, read with Rule 22(1) of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

**NOTICE** is hereby given, pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules"), Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), General Circular No.14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 (the "MCA Circulars"), General Circular No. 22/2020 dated 15th June, 2020 and General Circular No. 33/2020 dated 28th September, 2020 and any other applicable laws and regulations, to transact the below mentioned special businesses by the members of the Coastal Corporation Limited ("the Company") by passing resolutions **through postal ballot ("Postal Ballot") only through remote e-voting.**

In compliance with the aforesaid MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice along with e-voting instructions. The communication of the assent or dissent of the Members would only take place through the remote e-voting system.

An explanatory statement pursuant to Section 102 of the Act and other applicable provisions of the Act, pertaining to the resolution setting out the material facts and reasons thereof, is appended to this Notice. Pursuant to Rule 22(5) of the Rules, the Board of Directors of your Company at its meeting held on November 12, 2020, has appointed Mr. Sambhu Prasad, Practicing Company Secretary (CP No. 11723) Mem. No. F8795, as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner. The remote e-voting period commences from 9.00 a.m. (IST) on Friday, November 20, 2020 and ends at 5.00 p.m. (IST) on Saturday, December 19, 2020. The Scrutinizer will submit his report to the Chairman of the Company, or any person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting. The results of the Postal Ballot will be announced at or before 5.00 p.m. (IST) Monday, December 21, 2020. The said results along with the Scrutinizer's Report would be intimated to BSE Limited, where the

equity shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website <https://www.coastalcorp.co.in>.

## **SPECIAL BUSINESS**

### **Item No. 1 - To increase the limits of borrowing by the Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013**

To consider and if thought fit, to pass, the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 (the “Act”) and rules framed thereunder (including any statutory modification(s) and re-enactment(s) thereof for the time being in force), and any other applicable laws and the provisions of the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee thereof which the Board may hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to borrow money on behalf of the Company, from time to time, from one or more of the Company’s bankers, financial institutions, institutional investors, mutual funds, insurance companies, pension funds, individuals, firms, companies, body corporates, any other person or entity, by way of issue of debentures, commercial papers, long term/short term loans, suppliers’ credit, securitised instruments such as floating rates notes, fixed rate notes, syndicated loans, fixed deposits, any other instruments/securities or otherwise permitted by law for the time being in force, designated in Indian or foreign currency, on such terms and conditions including creation of security by way of mortgage, charge, hypothecation, lien or pledge over the movable or immovable assets, properties, undertaking(s) or part thereof, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate paid-up share capital of the Company, free reserves (that is to say reserves not set apart for any specific purpose) and securities premium of the Company provided that the total amount so borrowed by the Board within the meaning of Section 180(1)(c) of the Act shall not at any time exceed Rs. 400 crores (Rupees Four Hundred Crores Only) or the limits so prescribed under Section 180(1)(c) of the Act, whichever is higher.”

**“RESLOVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to negotiate and decide terms and conditions of such borrowings, finalise and execute all such deeds, documents and writing as may be necessary, desirable or expedient, settle any question, difficulty or doubt that may arise in this regard, do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable and to delegate all or any of these powers to any Committee of Directors or Managing Director or Whole time Director or Director or any other officer of the Company or any other person.”

**Item No. 2 - To seek 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**

To consider and if thought fit, to pass, the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (the “Act”) and any other applicable provisions, if any of the Act, or any amendment or modifications thereof and pursuant to the provisions of the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee thereof which the Board may hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to sell, lease or dispose of in any manner including but not limited to mortgaging, hypothecating, pledging or in any manner creating charge on all or any part of the present and future moveable or immovable assets or properties of the Company or the whole or any part of the undertaking(s) of the Company of every nature and kind whatsoever (hereinafter referred to as the “Assets”) and/or creating a floating charge on the Assets to or in favour of banks, financial institutions, investors, debenture trustees or any other lenders to secure the amount borrowed by the Company or subsidiary(ies) of the Company from time to time for the due re-payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company in respect of the said borrowings provided that the aggregate indebtedness so secured by the Assets do not at any time exceed the value of limits approved under Section 180(1)(c) of the Act.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to negotiate and decide terms and conditions of security, finalise and execute all deeds, documents and writings as may be necessary, desirable or expedient, settle any question difficulty or doubt that may arise in this regard, do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or desirable and to delegate all or any of these powers to any Committee of Directors or Managing Director or Whole time Director or Director or any other officer of the Company or any other person.”

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

**For and on behalf of the Board**  
**For COASTAL CORPORATION LIMITED**

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

**Place: Visakhapatnam**  
**Date: 12.11.2020**

## NOTES:

1. The Explanatory Statement pursuant to the provisions of Sections 102 and 110 of the Companies Act, 2013 (“Act”) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”) stating material facts and reasons for the proposed resolution is annexed hereto.
2. Resolutions, if passed by the Members through postal ballot are deemed to have been duly passed on the last date specified for the e-voting i.e., 19.12.2020 in terms of Secretarial Standard - 2 on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India .
3. A member cannot exercise his vote by proxy on Postal Ballot.
4. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the SEBI Listing Regulations, the details pertaining to this Postal Ballot will be published in one English daily newspaper (in English language) and one regional daily newspaper (in vernacular language, i.e. Telugu).
5. In compliance with the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 33/2020 dated September 28, 2020 issued by the Ministry of Corporate Affairs (“MCA”) (hereinafter collectively referred to as “MCA Circulars”), this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.

**If your e-mail address is not registered with the Company/Depositories, you may register on or before 5:00 p.m. (IST) on Saturday, December 12, 2020 to receive this Postal Ballot Notice along with the procedure for remote e-voting. The process for registration of e-mail address is as under:**

- 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 Company with details of folio number and attaching a self-attested copy of PAN card to the Company at [cclinvestors@gmail.com](mailto:cclinvestors@gmail.com).
- b) Members holding shares in dematerialized 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 this Postal Ballot 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](mailto:cclinvestors@gmail.com) for obtaining the Postal Ballot Notice.

6. After successful registration of the e-mail address, a copy of this Postal Ballot Notice will be sent to your registered e-mail address. In case of any queries, Members may write to [cclinvestors@gmail.com](mailto:cclinvestors@gmail.com).

Members may note that this Postal Ballot Notice will also be available on the Company's website, [https:// www.coastalcorp.co.in](https://www.coastalcorp.co.in), website of the Stock Exchange where the equity shares of the Company are listed i.e. BSE Limited, [www.bseindia.com](http://www.bseindia.com).

#### 7. E-voting:

i. In compliance with the provisions of Sections 108 and 110 of the Act and Rules 20 and 22 of the Rules, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and MCA Circulars, the Company has provided the facility of remote e-voting to all Members, to enable them to cast their votes electronically. The Company has engaged the services of CDSL to provide remote e-voting facility to its Members.

ii. Voting rights of the Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on Friday, November 13, 2020 ("**Cut-off date**"). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by remote e-voting. A person who is not a Member as on the Cut-off date should treat this Postal Ballot Notice for information purposes only. The remote e-voting period commences from 9.00 a.m. (IST) on Friday, November 20, 2020 and ends at 5.00 p.m. (IST) on Saturday, December 19, 2020. The e-voting module shall be disabled by CDSL thereafter. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change it subsequently.

iii. The Board of Directors of the Company has appointed Mr. Sambhu Prasad, Practicing Company Secretary (CP No. 11723) Mem. No. F8795, as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.

#### ANNEXURE FOR E-VOTING PROCEDURE

#### **THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

(i) The voting period begins on:

E-Voting Start Time	E-Voting End Time
20.11.2020 at 9.00 AM(IST)	19.12.2020 at 5.00 PM(IST)

\*\* Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (13.11.2020) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

(iii) Click on "Shareholders" module.

(iv) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the **Company**.

**OR**

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as Physical Shareholders)</p> <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Serial Number (refer Serial No. printed on the name and Address Sticker/Postal Ballot Form) in the PAN Field.</li><li>• In case the Serial Number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL Letters. Eg. if your name is Anvi Sharma with Serial Number 1 then enter AN00000001 in the PAN field.</li></ul>
DOB	<p>Enter the Date of Birth as recorded in your Demat account or in the Company Records for the said Demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your Demat account or in the Company Records for the said Demat account or folio.</p> <ul style="list-style-type: none"><li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member ID / Folio Number in the Dividend Bank details field.</li></ul>

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

(ix) 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.

- (x) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

On account of threat posed by COVID-19 and in terms of the MCA Circulars, the Company will send Postal Ballot Notice in electronic form only and hard copy of Postal Ballot Notice along with Postal Ballot forms and pre-paid business envelope will not be sent to the members for this Postal Ballot.

Accordingly, the communication of the assent or dissent of the members would take place through the remote e-voting system only. Therefore, those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

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 provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

### **General Guidelines for Shareholders**

1. Institutional/Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority letter etc. with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [pcs.acs@gmail.com](mailto:pcs.acs@gmail.com) with a copy marked to [cclinvestors@gmail.com](mailto:cclinvestors@gmail.com).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
3. If you have any queries or issues regarding e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### **Other Instructions:**

1. The Scrutinizer shall, immediately after the conclusion of voting through remote e-voting unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the remote e-voting, a scrutinizer's report of the total votes cast in favour and against, if any, to the Chairman of the Company or any person authorised by him.
2. The said results along with the Scrutinizer's Report would be intimated to BSE Limited, where the equity shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website <https://www.coastalcorp.co.in>.



## **EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 1 & 2:**

The shareholders of the company had, in their meeting on 30<sup>th</sup> September 2014 given consent for borrowing limits of the company and authorized the Board of Directors to borrow funds, from time to time, for the business of the company, up to an amount of Rs. 200 Crores and to create charge on properties of the Company to secure the repayments of the borrowings. Keeping in view, the existing borrowings and the additional fund requirements for meeting the capital expenditure for the ongoing, future projects, capacity expansion, acquisitions and enhanced long term working capital needs of the Company, the Board of Directors had, in its meeting held on 12<sup>th</sup> November, 2020, considered and approved subject to the approval of the shareholders, to increase the borrowing limits of the company from Rs. 200 Crores (Rupees Two Hundred Crores Only) to Rs. 400 Crores (Rupees Four Hundred Crores Only).

For borrowing the funds, the Company shall have to provide security to the lenders. It is therefore proposed to authorize the Board of Directors under Section 180(1)(a) of the Companies Act, 2013 to create security by way of mortgage/ charge/ hypothecation or otherwise on the movable/ immovable properties/ the whole or substantially the whole of the undertaking(s) or any other assets of the Company, both present and future, in favour of Financial Institution(s), Bank(s), Lender(s), Agent(s), and Trustee(s), etc. to the extent of Rs. 400 Crores (Rupees Four Hundred Crores Only). Since creating the aforesaid security, in certain cases, is regarded as disposal of the whole or substantially the whole of the undertaking(s) of the Company, it is necessary to pass a special resolution under Section 180(1)(a) of the Companies Act, 2013 before creating such security. The proposal to authorize Board of Directors to borrow money and create security would attract provisions of Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013, respectively, inter-alia requiring approval of the Members by way of Special Resolutions. Therefore, the Board recommends the passing of these resolutions as Special Resolutions for borrowing/creation of security for an amount upto Rs. 400 Crores (inclusive of existing Rs. 200 Crores) as set out in Item Nos.1 & 2 for approval of the Members. None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise, in the above resolutions.

**Regd. Office:**  
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Visakhapatnam-530 002

**For and on behalf of the Board**  
**For COASTAL CORPORATION LIMITED**

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

**Place: Visakhapatnam**  
**Date: 12.11.2020**