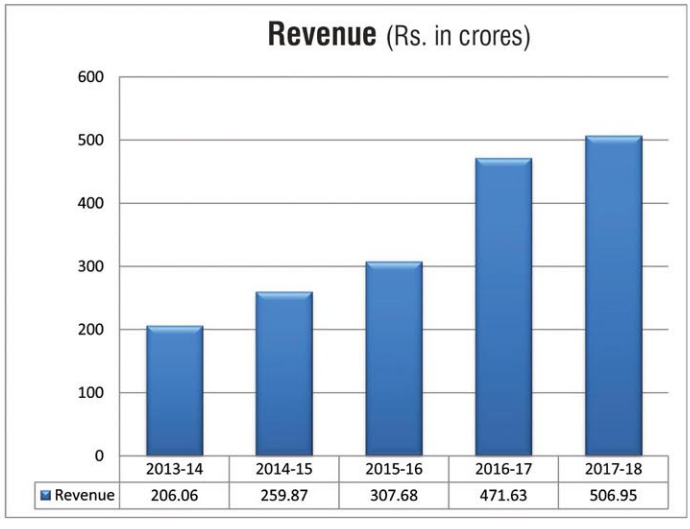
COASTAL CORPORATION LIMITED

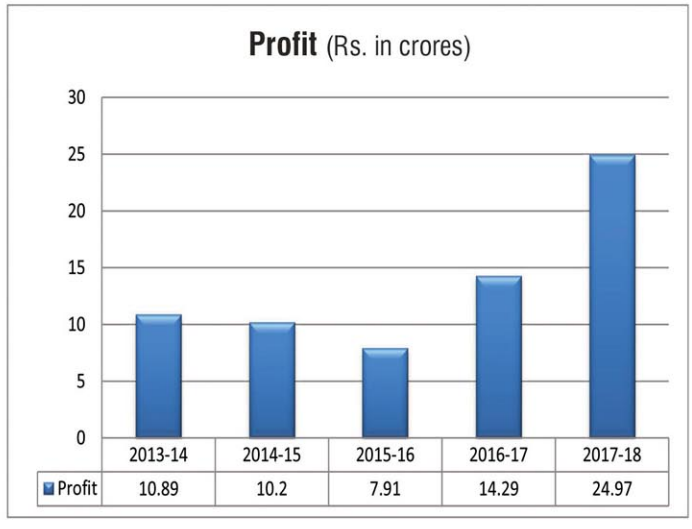
37th ANNUAL REPORT 2017-18



Mr. T. Valsaraj, Managing Director receiving the
FIEO Regional Export Award for the year 2015-16 under the category of
"Top Multi Product Exporter" in Andhra Pradesh (Silver)
from Shri M. Venkaiah Naidu, Hon'ble Vice President of India.

Growth in Key Performance Indicators





37th Annual General Meeting

**on Tuesday, 11th SEPTEMBER, 2018 at 10.30 A.M.
at Plant Office: D.No.6-42, Beside Toyota Showroom,
Marikavalasa, Visakhapatnam-530 041,
Andhra Pradesh, India**

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COMPANY INFORMATION

BOARD OF DIRECTORS:

1. **Shri. T. Valsaraj,** Managing Director
2. **Shri. G.V.V. Satyanarayana,** Director – Finance & CFO
3. **Smt. Jeeja Valsaraj,** Non–Executive Director
4. **Shri. K. Venkateshwara Rao,** Independent Director
5. **Shri. M.V.Suryanarayana,** Independent Director
6. **Shri. Kalyanaraman P.R,** Additional Independent Director (w.e.f. 13th Feb, 2018)

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. K.P. Rao & Co.
Chartered Accountants
Bangalore

SECRETARIAL AUDITORS:

M/s. ASN Associates
Company Secretaries
Visakhapatnam

INTERNAL AUDITORS:

M/s. K.P Rao Associates
Chartered Accountants
Hyderabad

BANKERS:

Bank of India
Main Branch
Visakhapatnam
Andhra Pradesh

BOARD COMMITTEES

AUDIT COMMITTEE:

S.No.	Name of the Director	Nature of Directorship	Designation in Committee
1	Kalyanaraman P R	Non- Executive & Independent Director	Chairman
2	Jeeja Valsaraj	Non Executive Director	Member
3	M.V.Suryanarayana	Non- Executive & Independent Director	Member

NOMINATION & REMUNERATION COMMITTEE:

S.No.	Name of the Director	Nature of Directorship	Designation in Committee
1	M.V.Suryanarayana	Non- Executive & Independent Director	Chairman
2	Jeeja Valsaraj	Non Executive Director	Member
3	Kalyanaraman P R	Non- Executive & Independent Director	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE:

S.No.	Name of the Director	Nature of Directorship	Designation in Committee
1	Jeeja Valsaraj	Non Executive Director	Chairman
2	K. Venkateswara Rao	Non- Executive & Independent Director	Member
3	G.V.V.Satyanarayana	Executive Director	Member

CORPORATE SOCIAL RESOPONSIBILITY COMMITTEE:

S.No.	Name of the Director	Nature of Directorship	Designation in Committee
1	G.V.V.Satyanarayana	Executive Director	Chairman
2	Jeeja Valsaraj	Non Executive Director	Member
3	K. Venkateswara Rao	Non- Executive & Independent Director	Member

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the THIRTY SEVENTH Annual General Meeting of the Members of COASTAL CORPORATION LIMITED will be held on Tuesday, the 11th day of September, 2018 at 10.30 A.M. at the Plant Office of the Company situated at D.No.6-42, beside Toyota Showroom, Marikavalasa, Visakhapatnam-530041, Andhra Pradesh, India.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2018 including audited Balance Sheet as at 31st March, 2018 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 confirm interim dividend of Rs.1.50/- per Equity Share of Rs. 10/- each (i.e.,15%) for the financial year 2017-18 as final dividend.

   RESOLVED THAT the interim dividend of Rs.1.50/- per share declared by the Board of Directors of the Company on 7th April 2018 on 25,42,200 equity shares of Rs.10/- each paid to the shareholders, be and is hereby approved and confirmed as final dividend for the year ended 31 March, 2018.

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.

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

   "RESOLVED that pursuant to the provisions of Sections 139, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force), K.P.Rao & Co., Chartered Accountants, Bangalore (Registration No.003135S),be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and that their remuneration be fixed by the Audit Committee in addition to the reimbursement of service tax and actual out of pocket expenses incurred in connection with the audit of accounts of the Company for the financial year ending 31st March, 2019."

SPECIAL BUSINESS:

5. **Appointment of Mr. Kalyanaraman P.R as an Independent Director**

   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 Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Kalyanaraman P.R (holding DIN: 01993027), who was appointed as an

Additional Director of the Company by the Board of Directors at their Meeting held on 13th February, 2018, as per Section 161(1) of the Companies Act, 2013 and who holds office only upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, for a period of five consecutive years from the ensuing Annual General Meeting.

Regd. Office:

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

By Order of the Board

For COASTAL CORPORATION LIMITED

Sd/-
T. Valsaraj
Managing Director

Place : Visakhapatnam
Date : 31.07.2018

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on poll instead of himself/herself and such proxy need not be a member of the Company.

2. The related Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 which sets out details relating to Special Business at the meeting, is annexed here to and forms part of notes.

3. Proxies in order to be effective must be received by the Company at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

4. The Register of Members and Share Transfer Books of the Company will remain closed from 05.09.2018 to 11.09.2018. (both days inclusive)

5. 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.

   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.

   With reference to SEBI circular no. LIST/COMP/15/2018-19 dated 05th July, 2018 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. 05th December, 2018. Therefore we request all the holders of physical certificates to get them dematerialized.

6. 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.

7. 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.

8. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

9. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered office of the Company on all working days, between 11.00 A.M. to 1.00 P.M. upto the date of the meeting.

10. Members/Proxies are requested to bring the attendance slip filled in for attending the Meeting.

11. 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.

12. 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.

13. As per the Circular Number MRD/DOP/CIR-05/2009 DT: May 20, 2009 issued by the Securities Exchange Board of India (SEBI) it is mandatory to quote PAN for transfer/transmission of shares in physical form. Therefore, the transferee(s) / legal heirs requested to furnish a copy of PAN to the Registrar and Share Transfer agents.

14. 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.

15. Electronic copy of the Annual Report for the year 2017-18 is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the year 2017-18 is being sent in the permitted mode.

16. 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

17. 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.

18. **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.

Details of Director Seeking Re-appointment at the Annual General Meeting

Particulars	Mr. Kalyanaraman P.R	Mrs. Jeeja Valsaraj
Date of Birth	30.03.1948	01.02.1964
Date of Appointment	13.02.2018	01.10.2004
No. of Shares held in the Company	Nil	49800

Annexure to the Notice:

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

Item No. 5

APPOINTMENT OF Mr. KALYANARAMAN P.R AS INDEPENDENT DIRECTOR OF THE COMPANY:

In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, appointment of an Independent Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Kalyanaraman P.R be appointed as an Independent Director of the Company.

The appointment of Mr. Kalyanaraman P.R shall be effective upon approval by the members in the Meeting. Mr. Kalyanaraman P.R is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr. Kalyanaraman P.R that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act. In the opinion of the Board, Mr. Kalyanaraman P.R fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Kalyanaraman P.R is independent of the management and possesses appropriate skills, experience and knowledge.

Brief resume of Mr. Mr. Kalyanaraman P.R: Mr. Kalyanaraman P.R is a well rounded commercial banker, having an impeccable career record spanning over 45 years in financial services. 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.

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 have been 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.

He is currently holding directorships in various other companies such as Centrum Infrastructure and Reality Limited, Kogta Financial (India) Limited, etc.,

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Kalyanaraman P.R is appointed as an Independent Director of the Company.

Mr. Kalyanaraman P.R was appointed as an Additional Director by the Board in their meeting held on 13th February, 2018.

Mr. Kalyanaraman P.R is a Member of the Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

Details of his other directorships are given in Directors' Report. He does not hold any shares in the Company. The Board consider that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Kalyanaraman P.R as an Independent Director, for the approval by the shareholders of the Company. Copy of the draft letter for appointment of Mr. Kalyanaraman P.R as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company. Except Mr. Kalyanaraman P.R, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Directors recommend the Resolution for your approval.

Regd. Office:

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

By Order of the Board

For COASTAL CORPORATION LIMITED

Sd/-
T. Valsaraj
Managing Director

Place: Visakhapatnam
Date: 31.07.2018

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 37th Annual General Meeting. The Company has engaged the services of Central Depository Services India Limited (CDSL) to provide the e voting facility.

The Members whose names appear in the Register of Members / List of Beneficial Owners as on 4th September, 2018 (cut-off date), are entitled to vote on the resolutions set forth in this Notice. The e-voting period will commence on Saturday, 8th September, 2018 (09:00 hrs) and will end on Monday, 10th September, 2018 (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.Kuchipudi Surendra, Practicing Company Secretary (CP No. 34205) Mem. No. 12732 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.