

COASTAL CORPORATION LIMITED
VISAKHAPATNAM

30th Annual General Meeting

on 30.09.2011 at 10.30 AM

at

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

BOARD OF DIRECTORS :

Mr. T. Valsaraj

Managing Director

Mr. S. Rajaram

Director

Mrs. Jeeja Valsaraj

Director

Mr. G.V.V. Satyanarayana

Director

Mr. K. Venkateswara Rao

Director

Mr. Dilip Kumar Biwalkar

Director

Auditors :

Mr. V.V.S.Bhagavan

Chartered Accountant
Hyderabad

BANKERS :

Bank of India

Main Branch

Visakhapatnam.

REGISTERED OFFICE :

15-1-37/3, Nowroji Road, Maharanipeta,

Visakhapatnam - 530 002, Andhra Pradesh, India.

Phone : 0891-2567118, 2552556 Fax : 0891-2567132

e-mails : coastal6@eth.net ; cclinvestors@gmail.com

Company Web Site : www.coastalcorp.in

COASTAL CORPORATION LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **THIRTIETH Annual General Meeting** of the Members of **COASTAL CORPORATION LIMITED** will be held on **Friday, the 30th Day of September, 2011 at 10.30 A.M.** at the **Plant Office of the Company** situated at **D.No.6-42, Marikavalasa, Besides Toyota Showroom, Visakhapatnam - 530 041, Andhra Pradesh, India** to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Annual Accounts consisting of the Profit & Loss Account for the year ended 31st March, 2011 and the Balance Sheet of the Company as on that date, Schedules and Notes thereon together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sri G.V.V.Satyanarayana, who retires by rotation and being eligible, offer himself for re-appointment.
3. To consider the re-appointment of Sri V.V.S. Bhagavan, Chartered Accountant, Hyderabad as Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration as may be mutually agreed to between the Board of Directors and the Auditors.

SPECIAL BUSINESS:

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

"RESOLVED THAT the consent 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 which the Board may constitute for this purpose) in accordance with Section 293(1)(d) and other applicable provisions, if any of the Companies Act, 1956 (including any Statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, to borrow any sum or sums of moneys from time to time at its discretion, for the purpose of the business of the Company, from the Company's' bankers or any other bank, financial institutions or other persons, firms, bodies corporate on such terms and conditions as may be considered and suitable by the Board up to a limit of Rs.75 Crores (Rupees Seventy Five Crores only), notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the Company (apart from the temporary loans obtained from the Company's' bankers in the ordinary course of its business) may exceed the aggregate of the paid up capital of the Company and its free reserves, i.e. the reserves not set apart for any specific

COASTAL CORPORATION LIMITED

purpose and that the Board of Directors be and are hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be necessary for giving effect to the aforesaid resolution."

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

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Sections 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) to mortgages, charges, lien, hypothecation and/or any other securities in addition to the mortgages, charges, lien, hypothecation and/or any other securities created/ to be created by the Company, in such form and manner and with such ranking as to priority and at such time and on such terms and conditions as the Board may determine, on all or any of the immovable and/or movable, tangible and/or intangible properties or such other assets of the Company, wherever situated, both present and future, and/or the whole or any part of the undertaking(s) of the Company in favour of the Lender(s), Banks, Financial Institutions, Agent(s) and Trustee(s)/Custodian(s) of Debenture holders/ Bondholders or any other person/agency or body corporate, for securing the borrowings availed/to be availed by the Company and/or any of the Company's Holding / Subsidiary / Associate company, by way of loan(s) and Securities (comprising fully/partly Convertible Debentures and/or Non Convertible Debentures or other debt instruments), issued/to be issued by the Company, from time to time, subject to the limits approved under Section 293(1)(d) of the Companies Act, 1956, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s)/Trustees, premium (if any) on redemption, all other costs, charges and expenses, payable by the Company in terms of the Loan Agreement(s)/Heads of Agreement(s), Debenture Trust Deed(s) or any other document, entered into/ to be entered into between the Company and the said Lender(s), Banks, Financial Institutions, Agent(s) and Trustee(s)/ Custodian(s) of Debenture holders/ Bondholders or any other person/agency or body corporate and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the such Lender(s), Banks, Financial Institutions, Agent(s) and Trustee(s)/Custodian(s) of Debenture holders/Bondholders or any other person/agency or body corporate.

COASTAL CORPORATION LIMITED

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or its duly constituted Committee be and are hereby authorized to finalize, settle and execute such documents/ deeds/agreements/papers/ writings as may be required and to do all such acts, deeds, letters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid."

Regd. Office:

15-1-37/3

Nowroji Road,

Maharanipeta

Visakhapatnam - 530 002.

By Order of the Board
For COASTAL CORPORATION LIMITED

Sd/-

Place :Visakhapatnam

Date : 02 .09.2011

(T. VALSARAJ)
MANAGING DIRECTOR

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. Proxies in order to be effective, must be received by the Company not less than 48 hours before the meeting.
2. An explanatory Statement pursuant to S.173(2) of the Companies Act 1956 in respect of the Special Business is annexed here.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 23rd day of September, 2011 to Tuesday, the 27th day of September, 2011 (both days inclusive)
4. Members desiring to seek any information on the annual accounts are requested to write to the Company's Compliance Officer at least seven days in advance of the meeting so that the information can be made available at the meeting.
5. The members are requested to intimate to the Company any change of their address quoting their Share Ledger Folio No(s).
6. Members / Proxies shall bring attendance slips filled in and duly signed for attending the meeting.
7. The Members are requested to provide email ids for quick communication from time to time to the Company email id viz. cclinvestors@gmail.com

COASTAL CORPORATION LIMITED

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF
SECTION 173(2) OF THE COMPANIES ACT, 1956 :**

REGARDING ITEM NO.4 :

In terms of the provisions of Section 293(1)(d) of the Companies Act, 1956 the Board of Directors of the Company cannot except with the consent of the Company in general meeting, borrow, moneys apart from temporary loans obtained from the Company's bankers, financial institutions in the ordinary course of business in excess of aggregate of the paid up capital and its free reserves that is to say reserves not set apart for any specific purpose

For the purpose of financing the requirements of the company and its business generally the Company may need to resort to borrowings from Banks, Financial Institutions, Company, Firm, NBFCs, Individuals, or any other juristic person and such proposed borrowings, together with existing borrowings may exceed the Company's the amount aggregating to the Company's paid up capital and its free reserves upto the limits as mentioned in the proposed Resolution.

The Board of Directors accordingly recommends the resolution set out at Item No.4 of the accompanying Notice for the approval of the members.

None of the Directors of the company is, in any way concerned or interested in the said resolution.

REGARDING ITEM NO.5 :

The members are informed that the Company has been availing loan / credit facilities from the bankers and also others to meet the requirements of the business of the Company from time to time and the said financial assistance be secured by mortgage of immovable, movable and other properties of the Company both present and future upon such terms and conditions as may be agreed by the members.

The borrowings by a Company in general is required to be secured by mortgage or charge on all or any of the movable or immovable properties of the company in such form and manner as may be determined by the Board of Directors of the Company from time to time with the lenders.

COASTAL CORPORATION LIMITED

The mortgage and/or charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company, to secure borrowings of the company or of any of its holding subsidiary, affiliate or associate Company, concern may be regarded as proposal of the Company's undertaking(s) within the meaning of Section 293(1)(a) of the Companies Act, 1956. Hence, it is necessary for the Members to pass a resolution under the said section

The Board of Directors accordingly recommends the resolution set out at Item No.5 of the accompanying notice for the approval of the members.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

Regd. Office:

15-1-37/3

Nowroji Road,

Maharanipeta

Visakhapatnam - 530 002.

Place : Visakhapatnam

Date : 02 .09.2011

By Order of the Board

For COASTAL CORPORATION LIMITED

Sd/-

(T. VALSARAJ)

MANAGING DIRECTOR

DIRECTOR'S REPORT

To

The Members
Coastal Corporation Limited

Your Directors have pleasure in presenting the THIRTIETH Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the Financial Year ended 31st March, 2011 and the report of the Auditors thereon.

1. FINANCIAL RESULTS :

	Year Ended 31.03.2011 Rs.	Year Ended 31.03.2010 Rs.
Sales	34,06,34,576	23,39,10,537
Interest	1,23,211	95,709
Other Income	5,18,26,663	3,78,67,066
Total Income	39,25,84,450	27,18,73,312
Less : Expenditure	37,39,77,196	25,97,72,620
Profit before Depreciation and Taxation	1,86,07,255	1,21,00,692
Less : Depreciation	37,17,908	34,09,639
Profit before Taxation	1,48,89,347	86,91,053
Less: Provision for Tax	(30,00,057.)	(15,51,909)
Less: Prior Period Adjustments	(83,433.)	(1,06,188)
Net Profit After Tax	1,18,05,857	70,32,956
Add: MAT Credit Entitlement	79,89,179	—
Add : Balance brought forward from last year	1,72,73,766	1,02,40,810
Balance Carried to Balance sheet	3,70,68,802	1,72,73,766

2. REVIEW OF OPERATIONS :

During the year under review, the Company has earned an income of Rs. 39,25,84,450 as compared to Rs. 27,18,73,312 during the previous year and the expenditure incurred amounted to Rs. 37,39,77,196 as against Rs. 25,97,72,620 during the previous year. The depreciation provided for the reporting year was Rs. 37,17,908 as compared to Rs. 34,09,639 during the previous year. Hence, Net Profit after tax was amounted to Rs. 1,18,05,857 as compared to Rs. 70,32,956 during the previous year.

COASTAL CORPORATION LIMITED

The efforts taken by the Directors & Key Managerial Personnel as well as efficient and effective services provided to its valuable customers is clearly evident in the turnover and profits of the Company. The Board has conceived plans for effective operations, increasing the turnover in view of the recovery of economy and also to control the overheads wherever possible. Hence, the Company expects more profits in the years to come.

3. DIVIDEND:

In view of meeting the working capital requirements for the business, the present financial scenario and also in order to conserve the resources for future requirements & plans, your Directors have not recommended any dividend for the financial year ended March 31, 2011.

4. CREDIT & GUARANTEE FACILITIES:

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

5. DEPOSITS:

The Company has not invited or accepted any Deposits from the public during the Financial year.

6. INSURANCE:

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

7. EMPLOYEE RELATIONS:-

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

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

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

9. PARTICULARS REGARDING ENERGY CONSERVATION, TECHNOLOGY ABSORPTION ETC:

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

COASTAL CORPORATION LIMITED

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

10. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

Particulars	(Rs.)	(Rs.)
	2010-11	2009-10
Foreign Exchange Earnings (FOB)	32,53,83,738	22,55,87,505
Expenditure incurred in Foreign Currency :		
1. AntiDumping Fee	12,15,745	---
2. Marine Rejection Insurance	20,40,411	3,64,307
3. Export Claims	2,25,026	2,48,415
4. Commission	7,36,183	4,91,846

11. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- in the preparation of the annual accounts for the year ended 31st March, 2011, the applicable accounting standards had been followed along with proper explanation relating to material departures ;
- 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 as on 31st March, 2011 and of the profit or loss of your Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and;
- the Directors had prepared the annual accounts for the financial year ended 31st March, 2011 on a going concern basis.

12. THE BOARD :

The Board of Directors of the Company is duly constituted. Sri G.V.V.Satyanarayana Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

The Board confirms that none of the Directors of the Company is disqualified from being appointed as Director in terms of clause (g) to sub-section (1) of Section 274 of the Companies Act, 1956 and necessary declarations have been obtained from all the Directors in this regard.

13. CORPORATE GOVERNANCE:

Corporate Governance is given as an Annexure-II.

14. MANAGEMENT DISCUSSION AND ANALYSIS:

This has been dealt with in the separate Annexure-III.

15. COMPLIANCE CERTIFICATE:

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

16. AUDITORS :

The present Statutory Auditors of the Company Sri V.V.S. Bhagavan, Chartered Accountant, Hyderabad, retire at the conclusion of the ensuing Annual General Meeting and being eligible for re-appointment. The Company has received a letter from him to the effect that his appointment if made, would be within the limits prescribed under Section 224(1-B) of the Companies Act, 1956 and that he is not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956. The Audit Committee and the Board of Directors recommend the appointment of Sri V.V.S. Bhagavan, Chartered Accountant, Hyderabad as Statutory Auditors of the Company for the financial year 2011-12.

17. STATUTORY COMPLIANCE:

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

18. ACKNOWLEDGEMENTS:

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

By Order of the Board

For COASTAL CORPORATION LIMITED

Sd/-

(T. VALSARAJ)
MANAGING DIRECTOR

Sd/-

(G.V.V. SATYANARAYANA)
DIRECTOR

Place : Visakhapatnam
Date : 02.09.2011

**ANNEXURE - I
FORM "A"**

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

(A) CONSERVATION OF ENERGY

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

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

	(Rs.)	(Rs.)
(A) POWER AND FUEL CONSUMPTION :	Current Year	Previous year
Electricity :		
a) Purchase		
Units	15,62,400	13,36,700
Total Amount (in Rs.)	73,08,777	53,49,690
Rate/Unit (in Rs.)	4.67	4.00
b) Own Generation :		
Through D.G. Units	1,38,720	1,15,719
Total Amount (in Rs.)	11,55,943	8,26,560
Unit/Lt. of Diesel Oil	4.8	4.9
Cost/Unit (in Rs.)	8.33	7.14

(B) TECHNOLOGY ABSORPTION :

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

ANNEXURE - II

(Annexure to the Corporate Governance)

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2010-2011

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

A. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

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

BOARD OF DIRECTORS:

(a) Composition and Category of Directors:

As on 31st March, 2011, the strength of the Board of Directors is Six (6) and its composition is as follows:

(i) Promoter Directors

Sri T. Valsaraj	-	Promoter & Managing Director
Sri S. Rajaram	-	Director

(ii) Non- Executive Director

Smt Jeeja Valsaraj

(iii) Non- Executive Independent Directors

Sri G.V.V. Satyanarayana

Sri K. Venkateswara Rao

Sri. Dilip Kumar Biwalkar

(b) Board Meetings & Related Information

During the year, Seventeen meetings of the Board of Directors were held on 30.04.2010, 07.06.2010, 15.06.2010, 22.06.2010, 26.07.2010, 31.07.2010, 10.09.2010, 29.09.2010, 07.10.2010, 30.10.2010, 27.11.2010, 04.12.2010, 23.12.2010, 24.12.2010, 31.12.2010, 27.01.2011, and 30.03.2011

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

Name of the Director	No. of Board Meetings		Attendance at last AGM	No. of Directorship in other Public Companies	No. of Committee Membership in other public Companies	
	Held	Attended			Member	Chairman
Sri T. Valsaraj	17	13	Present	2	--	--
Sri S. Rajaram	17	9	Present	0	--	--
Sri G.V.V. Satyanarayana	17	16	Present	2	--	--
Smt. Jeeja Valsaraj	17	10	Present	1	--	--
Sri K. Venkateswara Rao	17	7	Present	0	--	--
Sri Dilip Kumar Biwalkar	17	6	Present	1	--	--

(c) AUDIT COMMITTEE

The Audit Committee has three members; Sri G.V.V. Satyanarayana, Sri K Venkateswara Rao and Smt. Jeeja Valsaraj.

Composition

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

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

In accordance with clause 49 of the Listing Agreement and Section 292 A of the Companies Act, 1956, the terms of reference stipulated by the Board to the Audit Committee are as follows:

- (1) To oversee the Company's financial reporting process and disclosure of its financial information on a timely basis.
- (2) To ensure that the financial statement(s) is/are correct, sufficient and credible.
- (3) Recommending the appointment and fixation of Remuneration of Statutory and Internal Auditors of the Company and also approval for payment for any other services.
- (4) Review of Annual financial Statements with management before submitting to the Board.
- (5) Review and Discussions with the Auditors, the adequacy of internal control systems.
- (6) Reviewing the adequacy of internal audit function, including the structure of the internal

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audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- (7) Discussion with internal auditors on any significant findings and follow up thereon.
- (8) Discussion with external Auditors before the audit commences regarding the nature and scope of audit as well as to have post-audit discussion to ascertain any area of concern.
- (9) Reviewing the Company's financial and risk management policies.
- (10) To look into the reason for substantial defaults in the payment to creditors, if any.

Meetings and Attendance:

The Committee met 4 times during the year and the attendance of the members at the meetings are given below:

Name	Number of Meetings held during the year	Number of Meetings attended during the year
Sri G.V.V. Satyanarayana	4	4
Sri K Venkateswara Rao	4	4
Smt. Jeeja Valsaraj	4	4

(d) REMUNERATION COMMITTEE - POLICY - DETAILS:

The Company has constituted Remuneration Committee comprises Sri G.V.V. Satyanarayana, Sri S. Rajaram and K. Venkateswara Rao to decide, fix the Remuneration payable to the Managing/Whole-Time Director of the Company from time to time. The matters relating to remuneration package to the managerial personal will be referred by the Board of Directors to the remuneration committee.

Details of remuneration paid to the Directors during 2010-2011

Name of Director	Salaries & Perks Rs.	Total Rs.
Sri T.Valsaraj	2,40,000/-	2,40,000/-

(e) SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE :

The Company has constituted a Shareholder's/ Investor's Grievance Committees to handle and redress the grievances/complaints of the shareholders. Currently, the committee comprises Sri G.V.V. Satyanarayana as Chairman and Sri S.Rajaram and Sri K.Venkateswara Rao as members.

COASTAL CORPORATION LIMITED**(f) DETAILS OF THE COMPLIANCE OFFICER:**

Sri G.V.V. Satyanarayana
G3, Aspen Castle, Nowroji Road
Maharanipeta, Visakhapatnam - 530 002
Andhra Pradesh

CODE OF CONDUCT

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

A declaration signed by the Managing Director is as follows:

"It is hereby declared that all members of the Board and Senior Management have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2011."

CEO/CFO Certification:

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

(g) GENERAL BODY MEETINGS:

Location and time where last three AGMs held :

Year	Location	Date	Time	Special Resolution
2009-2010	15-1-37/3, Nowroji Road, Maharanipeta, Visakhapatnam - 530 002, Andhra Pradesh, India	30.08.2010	10.30AM	NIL
2008-2009	15-1-37/3, Nowroji Road, Maharanipeta, Visakhapatnam - 530 002, Andhra Pradesh, India	29.09.2009	10.30 AM	Passed
2007-2008	15-1-37/3, Nowroji Road, Maharanipeta, Visakhapatnam - 530 002, Andhra Pradesh, India	27.09.2008	10.30 AM	NIL

(h) OTHER DISCLOSURES :

- a) The Board is of the bona-fide belief that there are no materially significant related party transactions made by the company with Promoters, Directors or Management, their subsidiaries or relatives etc that may have potential conflict with the interests of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.
- b) The company has not established a whistle blower policy
- c) The company has complied with all the mandatory disclosure requirements under Clause 49 of the Listing agreement and also makes efforts to make the non-mandatory disclosures to the extent they arise and are considered significant.

(i) MEANS OF COMMUNICATION:

- i) Half Yearly Reports are not sent to Shareholders.
- ii) Quarterly Results and Half Yearly Results are published in Newspapers.
- iii) The Company has not issued any press release or made any presentations to the investors or to analyst about its financial results during the year.
- iv) Management Discussion and Analysis (MD&A) forms part of the Annual Report.

(j) GENERAL SHAREHOLDER INFORMATION:

i) Thirtieth Annual General Meeting of the Company :

Date & Time	:	Friday, 30th September, 2011 at 10:30 A.M.
Venue	:	D.No.6-42, Marikavalasa, Besides Toyoto Showroom, VISAKHAPATNAM-530041

ii) Financial Calendar : April to March.

iii) Date of Book Closure Date : 23rd September, 2011 to 27th September, 2011 (both days inclusive)

iv) Dividend Payable Date : Not Applicable

v) Listing on Stock Exchanges :

1. Mumbai Stock Exchange
2. Delhi Stock Exchange
3. Ahmedabad Stock Exchange
4. Hyderabad Stock Exchange

- vi) Registrars & Share Transfer Agents : The Board has appointed M/s Bigshare Services Pvt. Ltd., Mumbai as its Share Transfer Agents
- vii) High/Low Market Price : There was no trading in Shares during the year 2010-11

(k). Share Transfer System:

The Board has appointed M/s. Bigshare Services Private Limited, Mumbai as its Registrar & Share Transfer Agent. However, the shares of the Company are yet to be converted into De-mat and necessary work in connection therewith is under process. At present all the share transfers are being carried out in physical form.

(L) Dematerialization of Equity Shares and Liquidity :

The Company's Equity Shares are listed on Hyderabad, Mumbai, Ahmedabad and Delhi Stock Exchanges with a view to provide liquidity to the Shareholders. As per SEBI Notification, the Company's Equity Shares shall be dematerialized. The Board has been making required arrangements to enter into MOU with NSDL & CDSL for Dematerialisation of Shares. M/s. Bigshare Services Private Limited, Mumbai have been appointed as Registrar & Share Transfer Agents of the Company and for related matters.

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

ANNEXURE - III**(Annexure to the Directors' Report)****MANAGEMENT DISCUSSION AND ANALYSIS****OUTLOOK FOR THE GLOBAL AND INDIAN ECONOMY :**

India is developing into an open-market economy, yet traces of its past autarkic policies remain. Economic liberalization, including industrial deregulation, privatization of state-owned enterprises, and reduced controls on foreign trade and investment, began in the early 1990s and has served to accelerate the country's growth, which has averaged more than 7% per year since 1997. India's diverse economy encompasses traditional village farming, modern agriculture, handicrafts, a wide range of modern industries, and a multitude of services. Slightly more than half of the work force is in agriculture, but services are the major source of economic growth, accounting for more than half of India's output, with only one-third of its labor force. India has capitalized on its large educated English-speaking population to become a major exporter of information technology services and software workers. In 2010, the Indian economy rebounded robustly from the global financial crisis - in large part because of strong domestic demand - and growth exceeded 8% year-on-year in real terms. Merchandise exports, which account for about 15% of GDP, returned to pre-financial crisis levels. An industrial expansion and high food prices, resulting from the combined effects of the weak 2009 monsoon and inefficiencies in the government's food distribution system, fueled inflation which peaked at about 11% in the first half of 2010, but has gradually decreased to single digits following a series of central bank interest rate hikes. In 2010 New Delhi reduced subsidies for fuel and fertilizers, sold a small percentage of its shares in some state-owned enterprises and auctioned off rights to radio bandwidth for 3G telecommunications in part to lower the government's deficit. The Indian Government seeks to reduce its budget deficit to 5.5% of GDP in FY 2010-11, down from 6.8% in the previous fiscal year. India's long term challenges include widespread poverty, inadequate physical and social infrastructure, limited non-agricultural employment opportunities, insufficient access to quality basic and higher education, and accommodating rural-to-urban migration.

INDUSTRY STRUCTURE AND DEVELOPMENT:

Fish production plays an important role in the socio- economic life of India. It is a rich source of protein and high quality food. It is also an important source for income and employment to millions of rural farmers, particularly women. With a large human population in India and over 250 million economically strong potential consumers of food and those who have an adequate purchasing power, the domestic demand for the fish and processed fish food is increasing very rapidly. India is the third largest fish producing country in the world and ranks second in inland fish production. The 8,000 km coastline from both inland and marine resources, 3 million hectares of reservoirs, 1.4 million hectares of brackish water, 50,600 sq km of continental shelf area and 2.2 million sq km of exclusive economic zone are India's vast potential resources for fish production. Marine products have created a huge demand in the world market. With

COASTAL CORPORATION LIMITED

the high unit value, seafood has been acclaimed as one of the fastest moving commodity in the world market. The world market for seafood has doubled within the last decade reaching US \$49.32 billion. India's share is only 2.4% at present, it is mainly dependant on shrimp as a product. However, the situation is changing due to the increased attention/ demand for other fishery resources like squid, cuttlefish, fin fish, etc. and is being exported to the markets of Western Europe and South East Asia. Globally, fish production from capture fisheries and aquaculture was over 130 million tons in year 2000 as compared to nearly 20 million tons in 1950. Indian share in global production has reached 4.36% per cent with 9.92% share in inland and 2.8% in marine. For inland sector India is ranked second after China. Other major producer countries are China, Japan, the United States, the Russian Federation and Indonesia. There is a steady increase in the exports indicating a positive trend. Demand for fish and fishery products is increasing considerably, both at domestic and export fronts. The projected demand for fish in the country by 2012 is 9.74 million tonne, that can be met by the projected supply of fish is 9.60 million tonne by 2012 with major share of 5.34 million tonne from inland aquaculture followed by 3.10 million tonne from marine fisheries. Presently, fisheries of the island systems, Andamans and Lakshadweep, as well as the deep sea resources, including the tunas, are highly under-exploited. To encourage the fish producers, processors, exporters, etc., the Government of India, Ministry of Food Processing Industries (MOFPI) has desired to constitute and set up a National Board called the "National Fish Processing Development Board" (NFPDB).

Fish processing in India is done almost entirely for export. At present India has - freezing units, - cold stores, - ice plants, - canning units and - fish meal plants. Capacity of most of these processing and storage units is very low when compared to the facilities in fish processing industry in technologically advanced countries. The total fish processing and storage facility in India is grossly inadequate compared to the potential for fish production and processing. Barely five per cent of India's seafood exports are in processed form. Most exports are in the form of frozen fish. Also, the Indian brand does not exist in markets of advanced countries. In fact, more than 60 per cent of India's exports to south-east Asia are re-exported after processing.

With the introduction of new species of shrimp in to the aquaculture in India, a growth of 40% was recorded this year. Increase in the availability of raw material and steady prices in international markets are other factors that have contributed to the viability of marine industry. The exports of marine products from India are expected to be doubled in the near future. In view of these favourable conditions, the company has identified a strategic point for raw material source and is establishing an ultra modern seafood processing plant at Yelamanchili, Andhra Pradesh.

The Board has been continuing its efforts and taken the required steps in the following areas :

1. Growth Strategy
2. Strengths, Weaknesses, Opportunities and Threats
3. Financial performance with respect to operational performance
4. Internal Control Systems and their adequacy
5. Material developments in human resources/industrial relations

COMPLIANCE CERTIFICATE

CIN : L63040AP1981PLC003047

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

To,

The Members

COASTAL CORPORATION LIMITED**VISAKHAPATNAM.**

We have examined the registers, records, books and papers of 'COASTAL CORPORATION LIMITED', Visakhapatnam as required to be maintained under the Companies Act, 1956, (the Act) and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on 31st March, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its Officers and Agents, We certify that in respect of the aforesaid Financial Year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this Certificate, as per the provisions of the Act and the Rules made thereunder and all entries therein have been recorded.
2. The Company has filed the Forms and Returns as stated in Annexure 'B' to this Certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board, or other Authorities.
3. The restriction Clauses as provided in Section 3(i)(iii) of the Companies Act, 1956 are not applicable to the Company as it is a Public Limited Company.
4. The Board of Directors duly met 17 (Seventeen) times respectively on 30.04.2010, 07.06.2010, 15.06.2010, 22.06.2010, 26.07.2010, 31.07.2010, 10.09.2010, 29.09.2010, 07.10.2010, 30.10.2010, 27.11.2010, 04.12.2010, 23.12.2010, 24.12.2010, 31.12.2010, 27.01.2011, and 30.03.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. There were no Circular resolutions passed.
5. The Company has closed its Register of Members from Monday, 23rd August' 2010 to Friday, the 27th August' 2010 (both days inclusive) and necessary compliance of Section 154 of the Act, has been made.
6. The Annual General Meeting for the Financial Year ended on 31st March, 2010 was held on 30th August, 2010 after giving due notice (Date of Notice: 22.06.2010) to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.

COASTAL CORPORATION LIMITED

7. One Extra-Ordinary General Meeting was held on 27.01.2011 after giving due notice (Date of Notice : 31.12.2010) relating to Re-appointment of Sri T.Valsaraj as Managing Director of the Company and amendment to the Articles of Association for amendment of Article 38(b) and also for insertion of Article 38(c) during the Financial Year.
8. The Company has not advanced any loans to the Directors and/or Persons or Firms or Companies referred to under Section 295 of the Act during the Financial Year.
9. The Company has not contravened the provisions of Section 297 of the Act, during the Financial Year.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.
11. The Company has not contravened the provisions of Section 314 of the Act during the Financial Year.
12. The Company has not issued any duplicate Share Certificates during the Financial Year.
13. The Company:
 - (i)
 - (a) has not allotted any Shares/Securities during the Financial Year and;
 - (b) has made transactions relating to transfer of equity shares during the Financial Year.
 - (c) has not made any transactions relating to transmission of shares during the Financial Year.
 - (ii) was not required to deposit any amount in a separate bank account as no dividend was declared during the Financial Year.
 - (iii) was not required to post warrants to any member of the Company as no dividend was declared during the Financial Year.
 - (iv) has not transferred any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there were no such amounts outstanding during the Financial Year under review.
 - (v) has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancies during the Financial Year.

COASTAL CORPORATION LIMITED

15. The Company has re-appointed Sri T.Valsaraj as Managing Director of the Company w.e.f. 30th January, 2011 at the Extra-ordinary General Meeting held on 27th January, 2011 in accordance with the provisions of Section 269 read with Schedule XIII to the Act during the Financial Year.
16. The Company has not appointed any sole-selling agents during the Financial Year.
17. The Company was not required to obtain any approval from the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such Authorities prescribed under the various provisions of the Act during the Financial Year.
18. The Directors have disclosed their interest in other Firms/Companies to the Board of Directors pursuant to the provisions of the Act and the Rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the Financial Year.
20. The Company has not bought back any shares during the Financial Year.
21. There was no redemption of Preference Shares or Debentures during the Financial Year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to Dividend, Rights Shares and Bonus Shares pending registration of transfer of Shares.
23. The Company has not invited / accepted any deposits from the public falling within the purview of Section 58A of the Act during the Financial Year.
24. The borrowings made during the Financial Year are within the limits of the Company.
25. The Company has not made any Loans and advances or given guarantees or provided securities to other Bodies Corporate and consequently no entries have been made in the register kept for this purpose during the Financial Year.
26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's Registered Office from one State to another State during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association with respect to Name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the company during the year under scrutiny.

COASTAL CORPORATION LIMITED

30. The Company has altered its Articles of Association for amendment of Article 38(b) and also for insertion of Article 38(c) during the Financial Year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the Financial Year, for offences under the Act except Additional Fee paid for delayed filing of documents as mentioned in 'Annexure B'.
32. The Company has not received any money as security from its employees during the Financial Year.
33. The Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities except Rs.63,728/- which was outstanding as on 31st March, 2011.

For ASN ASSOCIATES

Company Secretaries

Sd/-

Name of the

Place: Visakhapatnam

Company Secretary: **(SATYANARAYANA A.)**
PARTNER

Date : 20.08.2011

C.P. No. : 2354

COASTAL CORPORATION LIMITED**ANNEXURE 'A'**

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

Registers as maintained by the Company:

A. STATUTORY REGISTERS:

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

B. OTHER REGISTERS:

S.NO.	NAME OF THE REGISTER/BOOK
01.	Register of Share Applications and Allotment of Shares
02.	Directors' Attendance Register
03.	Shareholders' Attendance Register
04.	Register of Fixed Assets
05.	Copies of Annual Returns prepared under Section 159
06.	Register of Common Seal
07.	Register of Proxies

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

01.	Register of Securities bought back
02.	Register of Renewed and Duplicate Certificates
03.	Register of Destruction of records/documents
04.	Register of Debentureholders
05.	Register of Deposits/Unsecured loans taken from Directors of the Company

COASTAL CORPORATION LIMITED**ANNEXURE 'B'****Name of the Company : COSTAL CORPORATION LIMITED****Corporate Identity No : L63040AP1981PLC003047**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government and/or Other Authorities during the Financial Year ending on 31st March, 2011:

REGISTRAR OF COMPANIES

Sl. No	Form No./ Return	Filed Under Section	For/ Description/ Purpose	Date of filing/SRN	Whether filed within prescribe d time Yes/No	If delay in filing whether requisite additional fee paid Yes/No
01	Form No.23 AC & ACA	220	Filing of Profit & Loss Account and Balance Sheet for the Year 2009-10.	14.09.2010 SRN : P52285137	Yes	No
02	Form No.66	383A	Filing of Compliance Certificate for the Year 2009-10.	14.09.2010 SRN : P52284288	Yes	No
03	Form No.20B (30.08.2010)	159	Filing of Annual Return for the year 2010.	04.10.2010 SRN : P53584652	Yes	No
04	F.No.23 (Board Resolution)	192	Relating to the re-appointment of Sri T.Valsaraj as Managing Director Sri T.Valsaraj	17.02.2011 SRN : B05851696	No	Yes
05	F.No.23 (EGM)	192	Relating to the re-appointment of Sri T.Valsaraj as Managing Director Sri T.Valsaraj	17.02.2011 SRN : B05851894	Yes	No
06	F.No.25C	269(2)	Relating to the re-appointment of Sri T.Valsaraj as Managing Director Sri T.Valsaraj	17.02.2011 SRN : B05852272	Yes	No

COASTAL CORPORATION LIMITED

Sl. No	Form No./ Return	Filed Under Section	For/ Description/ Purpose	Date of filing/SRN	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes/No
07	Form No. 8	125	Modification of Charges	15.04.2010 SRN : A82915588	No	Yes
08	Form No. 8	125	Modification of Charges	23.07.2010 SRN : A89808893	No	Yes
09	Form No. 8	125	Modification of Charges	24.09.2010 SRN : A94736766	Yes	No
10	Form No. 8	125	Modification of Charges	03.12.2010 SRN : A997555688	Yes	No
11	Form No. 8	125	Creation of Charges	06.01.2011 SRN : B02419901	No	Yes

COMPANY LAW BOARD

NIL

REGIONAL DIRECTOR

NIL

CENTRAL GOVERNMENT

NIL

OTHER AUTHORITIES

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

For ASN ASSOCIATES
Company Secretaries

Sd/-

Place: Visakhapatnam
Date : 20.08.2011

Name of the
Company Secretary: (SATYANARAYANA A.)
PARTNER
C.P. No. : 2354

COASTAL CORPORATION LIMITED

AUDITOR'S REPORT

To
The Members of
M/s. COASTAL CORPORATION LIMITED

I have examined the attached Balance Sheet of M/s. Coastal Corporation Ltd., (Formerly known as Coastal Trawlers Ltd.), Visakhapatnam as at 31st March, 2011, the Profit and Loss Account for the year ended 31st March, 2011 and the Cash Flow Statement for the year ended on that date both annexed hereto. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in India. Those Standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessment of the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

- A. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, and as amended in 2004, I enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- B. Further to my comments above, I report that:
- i) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.
 - ii) In my opinion, proper books of account, as required by Law have been kept by the Company so far as appears from my examination of such books.
 - iii) The Company's Balance Sheet, Profit and Loss Account and Cash flow statement dealt with the above are in agreement with the books of account.
 - iv) In my opinion, the Profit and Loss Account and Balance Sheet comply with the accounting standards referred to in sub-section (3c) of section 211 of the Companies Act, 1956.
 - v) Based on representations made by all the Directors of the Company and the information and explanations made available, the Directors of the Company do not prima facie have any dis-qualification as referred to in Clause (g) of sub-section (1) of Sec. 274 of the Act 1956.

COASTAL CORPORATION LIMITED

- vi) In my opinion and to the best of my information and according to the explanations given to me, the said Balance Sheet, the Profit and Loss Account and the Cash Flow Statement read with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- a) in so far it relates to the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2011 and
- b) in so far it relates to the Profit and Loss Account, of the Profit for the year ended on that date.
- c) in so far it relates to the Cash Flow Statement, of the cash flow for the year ended on that date.

Sd/-

Place : VISAKHAPATNAM
Date : 02.09.2011

(V.V.S. BHAGAVAN)
Chartered Accountant
M.No: 008571

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 1 of my Report of even date

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) All the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
c) During the year there are no sales of substantial part of Fixed Assets which will effect the company's status as a going concern.
2. a) As explained to me, the inventory has been physically verified during the year by the management. In my opinion, the frequency of verification is reasonable.
b) In my opinion and according to the information and explanations given to me, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c) In my opinion and according to the information and explanations given to me and on the basis of my examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
3. According to the information and explanations given to me, the Company has not taken any loans from the parties covered under section 301 of the Companies Act, 1956.
4. In my opinion and according to the information and explanation given to me, there are adequate internal control procedures commensurate with the size of the Company and nature of its business. During the course of my audit, no major weaknesses have been noticed in the internal controls.
5. a) According to the information and explanation given to me I am of the opinion that the transactions that needed to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
b) According to the information and explanation given to me the transactions made in excess of Rupees Five lakhs in respect of the party listed in the register maintained under section 301 of the Companies Act, 1956 have been made during the normal course of business and at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.

COASTAL CORPORATION LIMITED

6. The Company has not accepted any deposits from the public.
7. The company has an internal audit system and in my opinion the scope and coverage of internal audit is commensurate with the size of the company and the nature of its business.
8. Maintenance of cost records is not required under the provisions of Sec.209 (1) (d) of the Companies Act, 1956.
9. According to the records of the company and information and explanation given to me, the company is in general regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-Tax, Cess and other statutory dues with the appropriate authorities. As on 31st march 2011 there are no dues which are outstanding for a period of more than 6 months from the date they became payable.
10. The Company has no accumulated losses as on 31st March 2011. Further it has not incurred any cash loss in the financial year under report and in the immediately preceding financial year.
11. According to the information and explanations given to me, the Company has not granted any loans and advances on the basis of Security by way of pledge of shares and other securities.
12. The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the company.
13. The company is not dealing or trading in shares or securities.
14. The company has not given any guarantee for loans taken by others from Banks or financial institutions.
15. The Company has not taken any term loans during the Financial Year.
16. According to the information and explanations given to me and on an overall examination of the balance sheet of the Company, I report that no funds raised on short-term basis have been used for long-term investment by the Company and vice versa.
17. The Company has not made preferential allotment to parties and companies covered under register maintained under Section 301 of the Companies Act, 1956 during the Year.
18. The Company has not issued any Debentures.
19. The Company has not raised any money from public.
20. To the best of my knowledge and belief and according to the information and explanation given to me, no fraud on or by the Company has been noticed or reported during the year.

Sd/-

Place : VISAKHAPATNAM
Date : 02.09.2011

(V.V.S. BHAGAVAN)
Chartered Accountant
M.No: 008571

COASTAL CORPORATION LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

	<u>Schedule No.</u>	<u>As on 31st Mar-11 Rupees</u>	<u>As on 31st Mar-10 Rupees</u>
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS			
Share Capital	"A"	25,767,142	25,767,142
Reserves & Surplus	"B"	42,460,494	22,665,458
LOAN FUNDS			
Secured Loans	"C"	122,908,167	73,764,683
DEFERRED TAX LIABILITY			
	"D"	941,837	831,139
		<u>192,077,640</u>	<u>123,028,422</u>
APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	"E"	83,377,968	79,686,159
Less : Depreciation		<u>29,199,303</u>	<u>25,839,503</u>
Net Block		54,178,665	53,846,656
Capital Work in Progress		3,080,603	193,220
CURRENT ASSETS, LOANS AND ADVANCES :			
i) Current Assets	"F"	159,508,995	75,429,476
ii) Loans and Advances	"G"	15,483,258	8,009,406
		<u>232,251,521</u>	<u>137,478,758</u>
LESS : CURRENT LIABILITIES AND PROVISIONS :			
i) Current Liabilities	"H"	40,173,881	14,450,336
Notes to the Accounts	"P"		
		<u>192,077,640</u>	<u>123,028,422</u>

Sd/-
(T. VALSARAJ)
MANAGING DIRECTOR

Sd/-
(G.V.V. SATYANARAYANA)
DIRECTOR

Sd/-
(V.V.S. BHAGAVAN)
CHARTERED ACCOUNTANT
M.No: 008571

Place : Visakhapatnam
Date : 02.09.2011

COASTAL CORPORATION LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011

	Schedule No.	For the year ended 31.03.2011 Rupees	For the year ended 31.03.2010 Rupees
INCOME:			
Sales	"I"	340,634,576	233,910,537
Interest		123,211	95,709
Other Income	"J"	51,776,663	37,787,066
Profit On Sale of Assets		50,000	80,000
		<u>392,584,450</u>	<u>271,873,312</u>
EXPENDITURE:			
Purchases	"K"	294,137,901	175,037,512
Packing & Shipment Expenses	"L"	76,992,938	55,964,994
Administrative Expenses	"M"	8,119,130	6,586,402
Interest & Financial Charges	"N"	13,368,720	11,079,723
Depreciation	"E"	3,717,908	3,409,639
Increase/(Decrease) in Stock	"O"	(18,641,493)	11,103,988
		<u>377,695,104</u>	<u>263,182,259</u>
Net Profit / (loss) for the year		14,889,347	8,691,053
- Current Tax		(2,889,359)	(1,360,000)
- Deferred Tax		(110,698)	(191,909)
- Fringe Benefit Tax		-	-
Previous year adjustments		(83,433)	(106,188)
MAT Credit Entitlement		7,989,179	-
		<u>19,795,036</u>	<u>7,032,956</u>
Balance brought forward from last year		17,273,766	10,240,810
Notes to the Accounts	"P"		
Balance carried to Balance Sheet		<u>37,068,802</u>	<u>17,273,766</u>
Earning per Share		15.23	5.41

Sd/-
(T. VALSARAJ)
MANAGING DIRECTOR

Sd/-
(G.V.V. SATYANARAYANA)
DIRECTOR

Sd/-
(V.V.S. BHAGAVAN)
CHARTERED ACCOUNTANT
M.No: 008571

Place : Visakhapatnam
Date : 02.09.2011

COASTAL CORPORATION LIMITED

SCHEDULES TO BALANCE SHEET

	As at 31st March 2011 Rupees	As at 31st March 2010 Rupees
SCHEDULE "A"		
<u>SHARE CAPITAL</u>		
<u>AUTHORISED</u>		
30,00,000 Equity Shares of Rs.10 each (Previous year 50,00,000 Equity Shares of Rs.10 each)	30,000,000	30,000,000
20,00,000 Preference Shares of Rs.10 each	20,000,000	20,000,000
	<u>50,000,000</u>	<u>50,000,000</u>
<u>ISSUED, SUBSCRIBED AND PAID UP:</u>		
<u>EQUITY</u>		
12,99,500 Equity Shares of Rs.10/- each (Of the above 3,47,725 Equity Shares of Rs.10/- each allotted for consideration other than cash at premium of Rs.10/- each and 1,21,775 Equity shares of Rs. 10/-each allotted in Cash at a premium of Rs. 10/-	12,995,000	12,995,000
Less: Calls in Arrears	227,858	227,858
	<u>12,767,142</u>	<u>12,767,142</u>
<u>PREFERENCE</u>		
13,00,000 6.5% Redeemable Preference Shares of Rs.10 each fully paid up	13,000,000	13,000,000
	<u>25,767,142</u>	<u>25,767,142</u>
<u>RESERVES & SURPLUS</u>		
i) General Reserve	696,692	696,692
ii) Share Premium Account	4,695,000	4,695,000
iii) Profit & Loss Account	37,068,802	17,273,766
	<u>42,460,494</u>	<u>22,665,458</u>

COASTAL CORPORATION LIMITED

	As on 31st March 2011 Rupees	As on 31st March 2010 Rupees
SCHEDULE "C"		
SECURED LOANS		
i) Packing Credit from Bank of India secured by hypothecation of stocks and other movable assets, export letters of credit from prime Banks, equitable mortgage of office premises and landed property measuring 2.04 acres, and also guaranteed by the Directors in their personal capacities and on collateral security of personal properties of the Directors	117,496,361	64,888,041
ii) Term Loan from Bank of India secured on hypothecation of stocks and other movable assets, export letters of credit from prime banks, equitable mortgage of office premises and landed property measuring 2.04 acres, and also guaranteed by the Directors in their personal capacities and on collateral security of personal property of two of the Directors	3,221,461	8,212,852
iii) Secured loan from ICICI Bank Ltd. on hypothecation Car repayable in installments	21,565	239,545
iv) Secured loan from Bank of India on hypothecation Car repayable in installments	266,791	424,245
v) Term Loan from Bank of India - Trucks (on hypothecation of Trucks Purchased on hire purchase basis repayable in installments)	1,415,459	-
vi) Secured loan from H.D.F.C Bank on hypothecation of Car repayable in installments	486,530	-
	<u>122,908,167</u>	<u>73,764,683</u>

SCHEDULE "D" Deferred Tax Liability

i) For Deferred Taxation	2,575,696	2,575,696	
Less: Deferred Tax Asset	<u>2,448,751</u>	<u>126,945</u>	<u>2,448,751</u>
		814,892	704,194
ii) For Deferred Tax		<u>941,837</u>	<u>831,139</u>

COASTAL CORPORATION LIMITED

SCHEDULE-"E"
FIXED ASSETS

DESCRIPTION	GROSS BLOCK AT COST			DEPRECIATION		NET BLOCK	
	As on 31.3.10 Rupees	Add/del during the year Rs.	As on 31.3.11 Rupees	Upto 31.3.10 Rupees	For the year (Debit)/Rs	Upto 31.3.11 Rupees	As on 31.3.11 Rupees
01. Land	7,426,871		7,426,871	-			7,426,871
02. Buildings - Office	613,931		613,931	148,440	10,007	158,447	455,484
Processing Plant-1	17,555,778	221,220	17,776,998	4,259,405	591,910	4,851,315	13,296,373
Processing Plant-2	5,887,100	(500,000)	5,387,100	-		-	5,887,100
03. Plant & Machinery	24,477,794	1,045,426	25,523,220	8,242,839	1,334,069	9,576,908	15,946,312
04. Roads	406,473	-	406,473	203,640	13,576	217,216	189,257
05. Sheds	75,950	-	75,950	75,950	-	75,950	-
06. Electrical Installations	2,546,896	125,762	2,672,658	1,377,620	122,729	1,500,349	1,172,309
07. Fixtures & Fittings	1,352,655	-	1,352,655	1,213,195	85,623	1,298,818	53,837
08. Other Assets	3,315,542	-	3,315,542	2,149,024	157,488	2,306,512	1,009,030
09. Computers	716,705	37,680	754,385	673,905	44,071	717,976	36,409
10. Trucks	4,230,849	2,390,351	6,621,200	3,238,688	915,121	4,153,809	2,467,391
11. Motor Vehicles	4,587,975	729,478	4,959,345	2,632,775	434,023	2,708,690	2,250,655
12. Construction Equipment	5,504,318	-	5,504,318	1,366,688	-	1,366,688	4,137,630
13. Crushers	797,017	-	797,017	102,590	-	102,590	694,427
14. Temporary Structures	143,855	-	143,855	143,855	-	143,855	-
15. Software	46,450	-	46,450	10,889	9,291	20,180	26,270
TOTAL	79,686,159	3,691,809	83,377,968	25,481,395	3,717,908	29,199,303	54,178,665
PREVIOUS YEAR	65,457,527	14,228,632	79,686,159	22,802,708	3,409,639	26,212,347	42,654,819

COASTAL CORPORATION LIMITED

	As on 31st March 2011 Rupees	As on 31st March 2010 Rupees
SCHEDULE "F"		
CURRENT ASSETS		
i) CASH AND BANK BALANCES		
Cash on Hand	113,882	926,498
Cash in Current Account with Banks	30,933,448	3,400,988
Cash in Term Deposits with BOI	893,703	251,410
Cash in Term Deposits with Hong Kong & Shanghai Banking Corp.	4,972	4,972
ii) Stock of Fish Crates / Tools (at cost)	839,896	665,549
iii) Stock of Packing Material (at cost)	1,978,502	1,412,034
iv) Stock of Shrimp (Valued at net realisable value)	63,160,353	44,518,860
v) Duty Entitlement/Other Receivables	32,225,477	11,805,888
vi) Income Tax Refund Receivable	273,641	204,218
vii) Freight Assistance Receivable	4,536,552	1,380,696
viii) Sundry Debtors (Unsecured - Considered good)		
More than six months		
Less than six months	24,548,569	10,858,363
	24,548,569	10,858,363
	159,508,995	75,429,476
SCHEDULE "G"		
LOANS AND ADVANCES		
Advances recoverable in cash or kind or for value to be received	3,749,639	3,365,966
Less: Provision for doubtful Advances	367,620	367,620
	3,382,019	2,998,346
Deposits	1,889,358	1,888,358
Advance Tax	-	900,000
M.A.T. Credit Entitlement	7,989,179	-
Other Advances	2,222,702	2,222,702
	15,483,258	8,009,406

COASTAL CORPORATION LIMITED

	As on 31st March 2011 Rupees	As on 31st March 2010 Rupees
SCHEDULE "H"		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
i) Sundry Creditors	29,429,123	6,514,021
ii) Other Liabilities	9,429,302	5,578,686
	38,858,425	12,092,707
PROVISIONS :		
For Taxation		
Income Tax (MAT)	1,315,456	2,357,629
	40,173,881	14,450,336
SCHEDULE "I"		
SALES		
Sales - Shrimp	336,848,576	233,910,537
Sales - HDPE Innoplus	3,786,000	-
	340,634,576	233,910,537
SCHEDULE "J"		
OTHER INCOME		
Export Benefits	40,273,558	29,673,113
Processing Charges	6,281,289	8,005,235
Income From Toll Plaza	118,000	-
Freight Assistance	3,603,816	-
Subsidy From M.P.E.D.A	1,500,000	-
Credit Balances Written back	-	-
	51,776,663	108,718
		37,787,066
SCHEDULE "K"		
PURCHASES		
Shrimp	290,816,053	175,037,512
HDPE Innoplus /Plastic Granules	3,321,848	-
	294,137,901	175,037,512

COASTAL CORPORATION LIMITED

	For the year ended 31st March 2011 Rupees	For the year ended 31st March 2010 Rupees
SCHEDULE "L"		
PROCESSING, PACKING & SHIPMENT EXP.		
Salaries	4,584,845	3,159,866
Agricultural Cess	813,460	649,897
Freight Charges	11,464,838	8,323,032
Packing & Stocking	12,923,847	9,819,935
Processing Charges	9,153,554	5,920,306
Shipment Expenses	967,010	765,054
Inspection Charges	189,981	189,419
Transportation	1,211,064	914,559
Peeling Charges	1,945,582	1,579,572
Ice	1,635,360	1,185,445
Electricity Charges	7,326,863	5,363,960
Other Expenses	4,697,896	2,595,002
Staff Welfare Expenses	721,601	265,136
Monitoring Fee	805,471	462,237
Insurance	2,164,923	566,442
Truck Repairs & Maintenance Charges	2,899,311	2,045,926
Procurement Expenses	1,310,843	1,108,329
Commission	3,048,686	3,241,975
Export Claims	225,026	248,415
Fish Crates Written Off	269,112	170,680
Stores & Maintenance	6,422,826	6,360,389
Cold Storage Charges	995,094	1,029,418
Antidumping Fee	1,215,745	-
	76,992,938	55,964,994

COASTAL CORPORATION LIMITED

	For the year ended 31st March 2011 Rupees	For the year ended 31st March 2010 Rupees
SCHEDULE "M"		
ADMINISTRATIVE EXPENSES		
Salaries and Other Benefits	3,645,280	2,575,013
Rent, Rates and Taxes	224,261	187,043
Telex & Telephones	334,307	312,888
Postage & Telegrams	109,682	142,820
Directors Remuneration	240,000	240,000
Repairs to Other Assets	113,503	210,593
Travelling Expenses	192,110	280,729
Directors Travelling Expenses	473,345	142,234
Conveyance	32,977	40,548
Printing & Stationery	70,461	84,688
Insurance	107,584	228,870
Audit Fee		
- As Auditors	40,000	40,000
- For Tax Audit	15,000	15,000
Professional Charges	55,000	55,000
Advertisement	745,446	466,616
Vehicle Maintenance	36,100	18,850
Miscellaneous Expenses	215,342	144,044
Sales Tax	1,138,961	470,070
	384,771	986,396
	<u>8,119,130</u>	<u>6,586,402</u>
SCHEDULE "N"		
INTEREST & FINANCIAL CHARGES		
Interest paid	12,307,535	10,482,225
Bank / Other Charges	1,061,185	597,499
	<u>13,368,720</u>	<u>11,079,723</u>
SCHEDULE "O"		
STOCK VARIATION		
OPENING STOCK		
Shrimp	44,518,860	55,622,848
	<u>44,518,860</u>	<u>55,622,848</u>
CLOSING STOCK		
Shrimp	63,160,353	44,518,860
	<u>63,160,353</u>	<u>44,518,860</u>
VARIATION	(18,641,493)	11,103,988

SCHEDULE "P"

NOTES TO AND FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011 AND BALANCE SHEET AS AT THAT DATE

I) SIGNIFICANT ACCOUNTING POLICIES

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

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

- a) Insurance Claims
- b) Capital Subsidies

2. Fixed Assets

- i) All Fixed Assets are stated at their original cost of acquisition / installation less depreciation. Subsidies received, if any, are reduced from the cost.
- ii) Capital works-in-progress is stated at cost.

3. Expenditure during construction period:

Expenditure during construction period is grouped under "Capital work in progress." Upon commencement of commercial production, the expenditure is allocated to buildings, plant and machinery and other assets in the ratio of their direct cost.

4. Depreciation

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

5. Inventories

Inventories are valued as under :

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

6. Income Recognition:

- b) Income is recognized on completion of shipment formalities in case of export sales.

COASTAL CORPORATION LIMITED

7. Foreign Currency Translation

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

8. Borrowing Costs:

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

8. Retirement Benefits :

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

9. Taxation :

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

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

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

10. Additional Information :

S.No.	Particulars	Unit	2010-2011	2009-2010
I)	Contingent liabilities/claims not provided for :			
a)	Unexpired Bank Guarantees	Rs.	69.15 Lakhs	NIL
II)	Estimated amount of contracts remaining to be executed on account of Capital works	Rs.	970.00 Lakhs	1.00 Lakh

COASTAL CORPORATION LIMITED

III) Information pursuant to Paragraph 3 and 4 Part II of Schedule VI to the Companies Act, 1956

a) Licenced Capacity		N.A.	N.A.
b) Installed Capacity	M.T.	10,500	10,500
c) Actual Production *	M.T.	1043.59	806.59
d) Sales :			
i) Quantity of Shrimp	M.T.	988.64	816.87
ii) Value of Shrimp	Rs.	336,848,576	233,910,537
e) Purchases :			
i) Quantity of Shrimp (Raw material)	M.T.	1303.71	952.14
ii) Value of Shrimp (Raw material)	Rs.	290,816,053	175,037,512
f) Raw Material consumed :			
Shrimp Qty.	M.T.	1303.71	952.14
g) Opening Stock :			
i) Shrimp Qty. *	M.T.	110.44	120.72
ii) Value of Shrimp (* includes raw material)	Rs.	44,518,860	55,622,848
h) Closing Stock :			
Shrimp Qty.	M.T.	165.38	110.44
Value of Shrimp	Rs.	63,160,353	44,518,860
i) Expenditure incurred in foreign currency :			
Imported Spares(including for Capital goods)	Rs.	NIL	NIL
Travelling Expenses	Rs.	NIL	NIL
Antidumping Fee	Rs.	1,215,745	-
Marine Rejection Insurance	Rs.	2,040,411	364,307
Export Claims	Rs.	225,026	248,415
Commission	Rs.	736,183	491,846
j) Earnings in Foreign Exchange(FOB)	Rs.	325,383,738	225,587,505

COASTAL CORPORATION LIMITED

IV) Details of Remuneration to Whole-time Directors :

Sri T. Valsaraj, Managing Director

i) Salary	Rs.	240,000	240,000
ii) Allowances	Rs.	-	-

V) Donations included in Misc. expenses	Rs.	20,000	25,000
---	-----	--------	--------

VII) Other Income includes export benefits earned on account of exports amounting to Rs.402.73 lakhs.

VIII) The Company has not made any Provision towards leave encashment.

IX) Confirmation of balances in case of Debtors and Creditors have not been received.

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

XI) In compliance with the Accounting Standard relating to "Accounting for taxes on income" (AS22) issued by the Institute of Chartered Accountants of India the Company has provided deferred tax liability of Rs.1,10,698/- on account of timing difference in the method of depreciation adopted. The company has provided Rs.28.89 lakhs(net) towards income under Minimum Alternate Tax.

Deferred Tax liability as on 1.4.10	2,575,696
Current tax liability as on 1.4.10	704,194
	3,279,890
Less : Deferred Tax Asset as on 1.4.10	2,448,751
	831,139
Deferred tax liability provided during the year	110,698
Deferred tax liability as on 31.03.2011	941,837

11. Accounting Standard - 18 -- Related Party Disclosure

(i) List of related parties and their relationships

- (a) M/s.T.V.R.Estates and Resorts Pvt. Ltd. - Associate Company
- (b) Sri T. Valsaraj - Key Management Personnel
- (c) M/s.Balaji Seafoods Ltd. - Associate Company
- (d) M/s.Coastal Developers Pvt. Ltd. - Associate

COASTAL CORPORATION LIMITED

Transactions during the year with related parties.

(Rs.in lakhs)

Sl.No.	Name of the Party	Relationship	Nature of transaction	Amount Rs.	Balance outstanding on 31.3.11
1)	Sri T. Valsaraj	Managing Director	Remuneration	2.40(CR)	
				10.60(CR)	1.56(CR)
2)	M/s.T.V.R.Estates and Resorts Pvt. Ltd.	Associate	Amount Received/Paid	0.04 (DR)	
					3.02 (CR)
3)	M/s.Balaji Seafoods Ltd.	Associate	Amount Received/Paid interest paid	118.30 cr 91.17 Dr 3.22 cr	34.40(CR)
4)	Coastal Developers Pvt. Ltd	Associate	Amount Received/Paid	43.25 cr 41.51 Dr	2.00(CR)
5)	Snehadara Consultants	Associate	Amount Received/Paid	36.00 cr 33.00 Dr	3.00(CR)
6)	Sai Srekara Realtors & Fisheries	Associate	Amount Received/Paid	20.00 cr 20.00 Dr	Nil

12 Interest on calls-in-arrears has not been provided in the accounts. Notices have been issued for forfeiture of shares.

13 Previous years figures have been regrouped where ever necessary.

Signatures to Schedules " A " to " P "

Place : Visakhapatnam

Date : 02.09.2011

Sd/-

(T.VALSARAJ)

Managing Director

Sd/-

(G.V.V.SATYANARAYANA)

Director

Sd/-

(V.V.S.BHAGAVAN)

Chartered Accountant

M.No: 008571

COASTAL CORPORATION LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2011

	Year ended 31st March, 2011 Rs. in lakhs	Year ended 31st March, 2010 Rs. in lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extra-ordinary items	148.89	86.91
Adjustments for :		
Depreciation	37.18	34.09
Interest	133.69	110.80
Profit/Loss on sale of Assets	(0.50)	(0.80)
Interest on deposits/IT Refund	(1.23)	(0.96)
Sundry Credit balances w/back	-	(1.09)
Operating Profit/Loss before Working Capital changes	318.03	228.95
Changes in Working Capital (Increase)/Decrease in		
- Inventories	(193.82)	101.11
- Sundry Debtors	(136.90)	(95.17)
- Loans and Advances	(74.73)	6.07
- Current Liabilities	267.65	(66.73)
- Other Receivables	(236.43)	17.73
	(374.23)	(36.99)
Cash generated from Operations	(56.20)	191.96
Interest paid	(133.69)	(110.80)
Previous year expenditure/taxes	(0.83)	(1.06)
Sundry credit/debit balances written off	(39.31)	1.09
Income Tax paid	79.89	(9.13)
Net Cash Flow from Operating Activities	(150.14)	72.06
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Inflow / (Outflow)		
Additions to Fixed Assets	(40.50)	(146.01)
Interest on Deposits/IT Refund	1.23	0.96
Sale of Vehicles/Trucks/ Assets	0.50	0.80
subsidy received from MPEDA	-	-
Capital Work -in-Progress	(28.88)	2.71
	(67.65)	(141.55)
Carried Forward	(217.79)	(69.49)

COASTAL CORPORATION LIMITED

	Year ended 31st March, 2011 Rs. in lakhs	Year ended 31st March, 2010 Rs. in lakhs
Brought Forward	(217.79)	(69.49)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Inflow / (Outflow)		
Proceeds from Issue of Preference Shares	-	130.00
Decrease in Term Loans from Banks	(34.66)	(76.23)
Increase/Decrease in Packing Credit	526.08	(20.03)
Net Cash Flow from Financing Activities	491.42	33.74
D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS :	273.63	(35.75)
Cash and Cash Equivalents as at the commencement of the year	45.83	81.58
Cash and Cash Equivalents as at the Closing of the period / year	319.46	45.83

For and on behalf of the Company

Place : Visakhapatnam
Date : 02/09/2011

(T.VALSARAJ)
Managing Director

I have verified the above Cash Flow Statement of M/s. COASTAL CORPORATION LIMITED derived from Audited Financial Statements for the year ended 31st March, 2011 and found the same in accordance therewith, and also with the requirement of clause 32 of the Listing Agreement with Stock Exchanges.

Place : Visakhapatnam
Date : 02.09.2011

(V.V.S.BHAGAVAN)
Chartered Accountant
M.No: 008571

COASTAL CORPORATION LIMITED**BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE****I. REGISTRATION DETAILS**

Registration No. : 3047
State Code : 01
Balance Sheet Date : 02-09-2011

II. CAPITAL RAISED DURING THE YEAR : NIL**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS**

Total Liabilities	Amount in Rs.	Total Assets	Amount in Rs.
SOURCE OF FUNDS	192,077,640	APPLICATION OF FUNDS	192,077,640
Paid-up Capital	25,767,142	Net Fixed Assets	54,178,665,
Reserves and Surplus	42,460,494,	Investments	—
Secured Loans	122,908,167	Net Current Assets	134,818,372

**IV. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY
(as per Monetary Terms)**

1. Item Code No. (ITC Code)
030613.01

Product Description
Frozen Prawns

For COASTAL CORPORATION LIMITED

Per our Report of even date annexed.

Sd/-
(T.VALSARAJ)
Managing Director

Sd/-
(V.V.S.BHAGAVAN)
Chartered Accountant

Place : Visakhapatnam
Date : 02.09.2011

COASTAL CORPORATION LIMITED

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

PROXY FORM

I/We in the
District of being a member(s) of
Coastal Corporation Limited hereby appoint.....of
.....in the
District of of failing
him/her of.....
in the District of as my/our Proxy to vote for me/us on my/our behalf at the
Thirtieth Annual General Meeting of the company to be held on Friday, the 30th Sep-
tember, 2011 at 10.30 A.M. and at any adjournment thereof. Signed this.....day of
.....2011.

Members(s) Folio Number.....

No. of Shares held.....

SIGNATURE

NOTES

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

COASTAL CORPORATION LIMITED

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

ATTENDANCE SLIP

Thirtieth Annual General Meeting on the 30th day of September, 2011 at 10.30 A.M.

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

I hereby record my presence at the Thirtieth Annual General Meeting at D.No.6-42,
Marikavalasa, Visakhapatnam-530041 on 30th day of September, 2011 at 10-30 A.M.

Member / Proxy's Signature