

(CIN : L63040AP1981PLC003047)

19<sup>th</sup> February 2022

To,  
Ms. Pooja Kothari  
Deputy Manager - Listing  
National Stock Exchange of India Limited (NSE)  
Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai - 400051  
NSE Symbol: COASTCORP

Dear Sir/Madam

Sub: Your email dated 15<sup>th</sup> February 2022 w.r.t. announcement dated 11-Feb-2022 regarding Corporate Guarantee for availing loans by Continental Fisheries India Limited, Wholly Owned Subsidiary of the Company

In the above mentioned email the clarification was sought for the following:

1. Whether the promoter/ promoter group/ group companies have any interest in this transaction? If yes, nature of interest and details thereof and whether the same is done at arm's length:

**Reply:** Continental Fisheries India Limited (CFIL) is a wholly owned subsidiary of Coastal Corporation Limited (CCL). Mr. T. Valsaraj, Vice Chairman & Managing Director, Mr. G.V.V. Satyanarayana, Whole-time Director are the Directors of Continental Fisheries India Limited and holding 2165 shares and 100 shares respectively in the capacity of registered owners (beneficial owner is Coastal Corporation Limited).

Prof. K. Venkatswara Rao and Mr. M.V. Suryanarayana are the Common Independent Directors of the Companies.

The transaction would be done at arm's length basis.

2. Brief details of such guarantee or indemnity or becoming a surety viz. brief details of agreement entered (if any) including significant terms and conditions, including amount of guarantee:

**Reply:** As a good corporate governance practice and pursuant to the provisions of Section 186(5) of Companies Act, 2013, the company has taken the in-principle approval from the Board of Directors of the Company and the resolution for giving the Corporate Guarantee has been approved by all the Directors present at the meeting.

The approval has been granted for holding discussions with the Banks regarding Corporate Guarantee for availing loans by Continental Fisheries India Limited, Wholly Owned Subsidiary for its ongoing project which is in the ordinary course of business of the subsidiary.

The company would be able to disclose the significant terms and conditions, including the amount of guarantee only after holding the discussions with banks and upon receipt of sanction copy from the bank.



3. **Impact of such guarantees or indemnity or surety on listed entity:**

**Reply:** CCL and CFIL are existing players in the industry. The revenue generated from the project inflows of CFIL are sufficient for repayment and hence there would not be any adverse impact on the listed entity.

Kindly take the above clarification on record.

Thanking you,

Yours faithfully,

For Coastal Corporation Limited

*Swaroop Meruva*  
Swaroop Meruva  
Company Secretary

