

# Coastal Corporation Ltd.

(CIN : L63040AP1981PLC003047)

GOVT. OF INDIA RECOGNISED ★ ★ TWO STAR EXPORT HOUSE

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Plant Unit 1 : Marikavalasa (V), Paradesipalem Panchayat, Visakhapatnam Dist.

Plant Unit 2 : P. Dharmavaram Village, S. Rayavaram Mandal, Visakhapatnam Dist.

May 31, 2019

To  
The BSE Limited  
PJ Towers  
Dalal Street  
Mumbai - 400001.

Dear Sir,

**SUB: Intimation under Regulation 30(6) of SEBI (LODR) Regulations, 2015 -  
Corporate Presentation.**

Please find enclosed herewith the Corporate Presentation for the information of the Stakeholders.

The will also be available on the Company's Website, [www.coastalcorp.co.in](http://www.coastalcorp.co.in)

This is for your information & records.

Yours Sincerely,

For Coastal Corporation Limited



Swaroopa Meruva  
Company Secretary





COASTAL  
CORPORATION  
LIMITED

# Coastal Corporation Ltd

Corporate Presentation

May 2019

# About Coastal Corporation Ltd



- Incorporated in the year 1981 as a private limited company, it was initially engaged into business of hiring of large trawlers from abroad for deep sea fishing and export of fish.
- It came out with a Public Issue in the year 1986
- In the year 1986, it transformed its business from hiring trawlers from abroad, the Company acquired its own Trawlers for deep sea fishing
- In the year 1993, the Company established its own Ultra Modern Shrimp Processing Unit I & Export Business. The Company also established its Unit II in the year 2013
- Over the last 26 years, the company has firmly established itself into shrimp processing business and export.
- It exports its products across globe markets – US, Europe, Canada, UAE, Saudi Arabia, Hong Kong, Korea, China and Russia
- The company has followed a liberal Bonus Issue policy – of every 8 shares in the paid up capital, 7 shares are Bonus shares

# Promoters



**Mr. Valsaraj Thottoli**  
*Managing Director*

**Qualification** : B. Tech (Chemical Engineering)

**Age:** 65 years

He holds a Bachelors Degree of Technology (in Chemical Engineering) with an experience of 38 years. Presently, he is the Chairman and Managing Director of the Company, he has been devoting his entire time, efforts and energy to develop this Company in all aspects including strategic business planning and analysis of future competition and threats at Global level as the business of the company is export oriented.



**Dr. Kambhampati Haribabu**

**Qualification** : Masters of Engineering (Electrical)

**Age:** 66 years

He holds a Masters Degree of Engineering (Electrical) with an experience of 38 years. He is results driven, self-motivated and resourceful Promoter with a proven ability to develop and strengthen the business in order to maximize company profitability and efficiency.

# Strong Management Team

Name	Designation
Mr. Valsaraj Thottoli	Chairman and Managing Director
Mr. Ganta Veera Venkata Satyanarayana	Whole-time Director designated as Director – Finance & CFO
Mr. Venkata Suryanarayana Malakapalli	Independent Non Executive Director
Mrs. Jeeja Valsaraj	Non Executive Director
Mr. Venkateswara Rao Kamireddi	Independent Non Executive Director
Mr. Kalyanaraman P.R	Independent Non Executive Director
Mr. K.V.Mohan Krishna	General Manager
Ms. Swaroopa Meruva	Company Secretary

# Two Modern Processing Facilities at Andhra Pradesh

## Unit I: Marikavalasa, Vizag



Capacity of the Unit I:

Plate Freezer – 17.5 MT per day

Individually Quick Frozen – 10 MT per day

Blast Frozen – 10 MT per day

Cooker – 10 MT per day

## Unit II: Penugollu Dharmavaram, Vizag



Capacity of the Unit II:

Plate Freezer – 14 MT per day

Individually Quick Frozen – 25 MT per day

# Certified Manufacturing Facilities

## **All major Certifications / Accreditations in place:**

- ❖ Hazard Analysis and Critical Control Point (HACCP)
- ❖ Export Inspection Council of India (EICI)
- ❖ Best Aquaculture Practices (BAP)
- ❖ British Retail Consortium (BRC)
- ❖ Halal (Islamic Council)
- ❖ European Commission (EU)
- ❖ Food & Drug Administration (FDA)



# AWARDS & RECOGNITIONS

Year	Awards & Recognitions
1992-1993	Excellence in Export through deep sea fishing during the year awarded by Ministry of Commerce Govt. of India.
2014	National Award for Outstanding Entrepreneurship in MSME in the Medium Enterprises Category from the Ministry of Micro, Small and Medium Enterprises Govt. of India
2015	a. Excellence in Export Performance (Small Scale Industry) awarded by FTAPCCI
	b. National Award for Outstanding Entrepreneurship in MSME in the Medium Enterprises (Manufacturing) Category from the Ministry of Micro, Small and Medium Enterprises Govt. of India.
	c. National Award for Exports in MSME in the Medium Enterprises (Manufacturing) Category from the Ministry of Micro, Small and Medium Enterprises Govt. of India.
2015-16	Export Excellence Award in Top Multi Product Exporter in Andhra Pradesh from Federation of Indian Export Organizations (Southern Region)

# Processing capability of diversified variety

Coastal offers shrimps in various forms – raw frozen blocks and in IQF, cooked in frozen blocks and cooked in IQF form as per customers specifications. It has consistently moved up the value chain in its product offerings by processing more and more value added shrimps

## Processing wide varieties of shrimps:

### *Sea Caught Varieties:*

- ❖ Sea White (Penaeus Indicus)
- ❖ Sea Tiger (Penaeus Monodon)
- ❖ Pink Brown Shrimp (Metapenaeus Monoceros)

### *Aquaculture Varieties:*

- ❖ Black Tiger (Penaeus Monodon)
- ❖ Vannamei (Litopenaeus Vannamei)

## Established Brands:

- ❖ Coastal
- ❖ Coastal Premium
- ❖ Coastal Gold
- ❖ Jewel
- ❖ President



# Bouquet of Product Offerings

**Headless Shell On (HL)**



**Peeled Deveined Tail On (PDTO)**



**Peeled Deveined Tail Off (PD)**



**Pulled Vein Tail On (PVPDTO)**



**Peeled Un-Deveined (PUD)**



**Butterfly**



**Shrimp Skewers**



**Cooked Head On**



**Cooked HL Shrimp**



**Cooked HL Easy-Peel Shrimp**



**Cooked PDTO Shrimp**



**Cooked PD Shrimp**



# Catering to Reputed Clientele

SNo.	Names of the Major Customers	SNo.	Names of the Major Customers
1	AZ GEMS INC	6	FOUR SEASON FOODS
2	BLUE SEA PRODUCTS LLC	7	J.F CLARKE CORPORATION
3	CHOICE CANNING	8	NATIONAL FISH
4	H&T SEAFOODS	9	PACIFIC CORAL SEAFOOD
5	DIRECT SOURCE	10	SOUTHWIND SEAFOODS



Surging consumption of Sea Food in Developed and Developing Economies:

- ❖ Economic prosperity driving consumption pattern across geographies
- ❖ Consumer shift towards sea food as source of protein and increased demand for exotic varieties
- ❖ Expanding population, rising health consciousness with preference for micronutrient rich foods amongst consumers and increasing disposable income

Between 1961 and 2016, global sea food consumption grew by 3.2% outpacing population growth of 1.6% and exceeded that of meat, which grew by 2.8%

Per Capita consumption of sea food has increased from 9 kg in 1961 to 20.5 kg in 2017 and is expected to increase to 21.6 kg by 2026

Rising demand for sea food and relatively static growth in capture sea food - demand and significance for aquaculture is on an uptrend

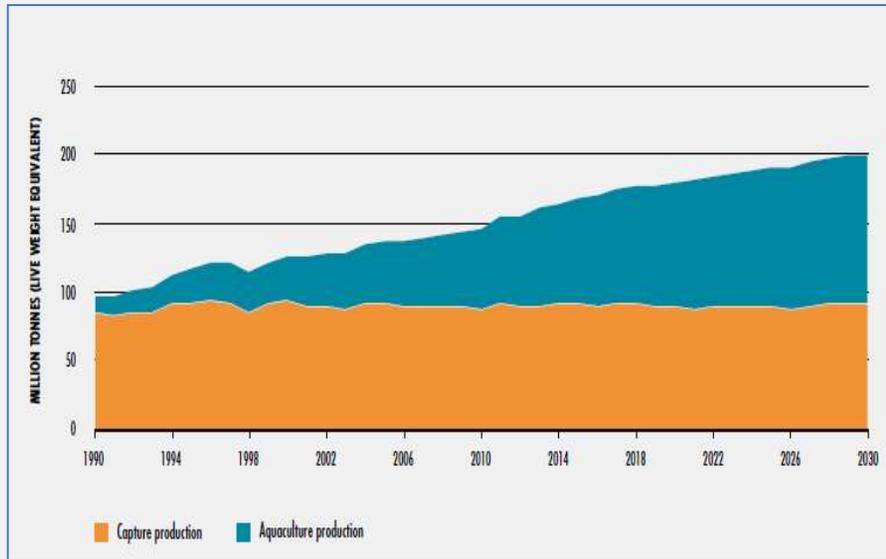
# Aquaculture contribution on upswing

- Governments across world are implementing regulations placing limits on captures in order to curb overfishing and protect the biodiversity
- With sea food consumption growth outpacing production, emphasis on aquaculture is increasing
- Sustainable sea food and organic aquaculture practices are gaining prominence
- Focus is on increasing the area devoted to aquaculture and improve productivity per unit in existing aquaculture areas
- Aquaculture now contributes 47% of total sea food production of 171 million tonnes in 2016, with an estimated value of \$ 232 billions

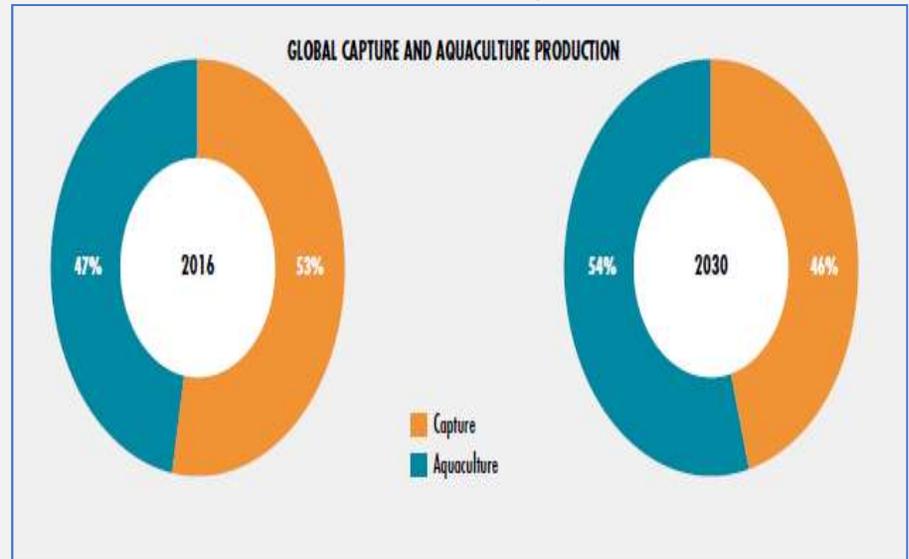


# World Capture Fisheries & Aquaculture Production

## Production Outlook till 2030



## Increased contribution of Aquaculture



Source: FAO

# Top Ten Exporters – Importers of Fish & Fish Products

## Top Exporters

Country	2006		2016	
	Value (USD Million)	%ge Share	Value (USD Million)	%ge Share
China	8,968	10.4	20,131	14.1
Norway	5,503	6.4	10,770	7.6
Vietnam	3,372	3.9	7,320	5.1
Thailand	5,267	6.1	5,893	4.1
USA	4,143	4.8	5,812	4.1
India	1,763	2.0	5,546	3.9
Chile	3,557	4.1	5,143	3.6
Canada	3,660	4.2	5,004	3.5
Denmark	3,987	4.6	4,696	3.3
Sweden	1,551	1.8	4,418	3.1
Top Ten Total	41,771	48.4	74,733	52.4
Rest of World Total	44,523	51.6	67,796	47.6
World Total	86,294	100.0	142,529	100.0

## Top Importers

Country	2006		2016	
	Value (USD Million)	%ge Share	Value (USD Million)	%ge Share
USA	14,058	15.5	20,547	15.1
Japan	13,971	15.4	13,878	10.2
China	4,126	4.5	8,783	6.5
Spain	6,359	7.0	7,108	5.2
France	5,069	5.6	6,177	4.6
Germany	4,717	5.2	6,153	4.5
Italy	3,739	4.1	5,601	4.1
Sweden	2,028	2.2	5,187	3.8
Republic of Korea	2,753	3.0	4,604	3.4
United Kingdom	3,714	4.1	4,210	3.1
Top Ten Total	60,534	66.6	82,248	60.7
Rest of World Total	30,338	33.4	52,787	39.3
World Total	90,872	100.0	135,035	100.0

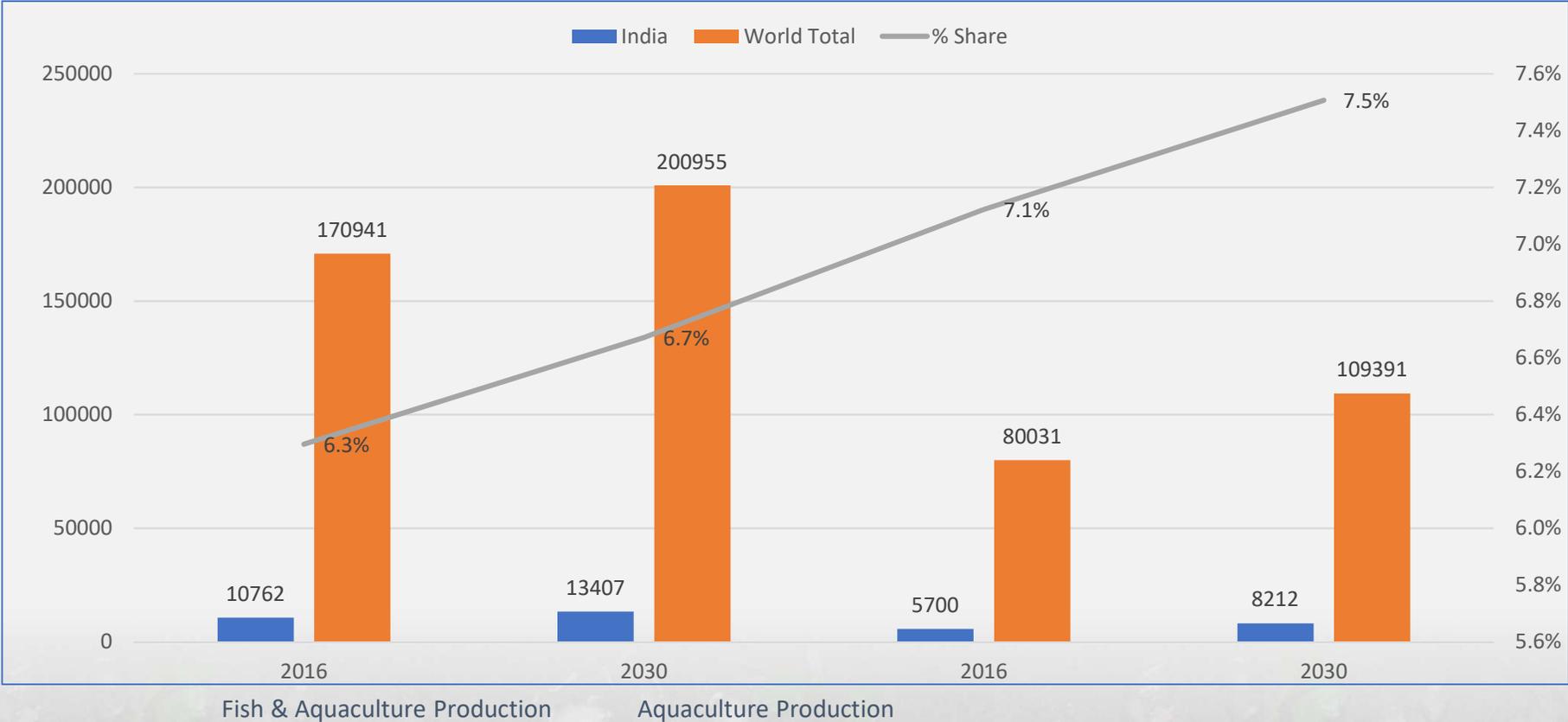
Source: FAO

# India – Conducive Aquaculture Policy

## Policy Initiative by Government to fillip Aquaculture:

1. Ministry of Food Processing, Govt. Of India, is encouraging the entrepreneurs for establishing processing factories under “Scheme for Integrated Cold Chain and Value Addition Infrastructure by extending Rs. 10 Crores Grant-in-aid
2. The Govt. Of India is providing Interest Equalization @ 5% in respect of exports by the Micro, Small & Medium Enterprises(MSME) sector manufacturers under the Interest Equalization Scheme on Pre and Post Shipment Rupee Export Credit
3. There are various schemes under Andhra Pradesh Food Processing Policy 2015-20 for setting up Cold Chain Units for Establishment of Shrimp Processing Units, eligibility upto 50% of Project Cost and Maximum Limit of Grant-in-aid upto Rs. 5 Crores and interest Subsidy for 5 years from COD @ 6% (Subject to Max. Rs. 2.50 Crores)
4. The State Govt. also provides Fiscal Incentives like Reimbursement of Power Consumption Charges @ Rs. 1.00 per unit for 5 years for Fish & Shrimp Processing Units and other incentives for establishing shrimp processing units in the State of AP
5. The Central Govt. (Ministry of Commerce & Industry) also provides Export Benefits like Merchandise Export from India Scheme (MEIS) @ 7% on FOB Value in Rupees and Duty Drawback @ 2.7% on FOB value

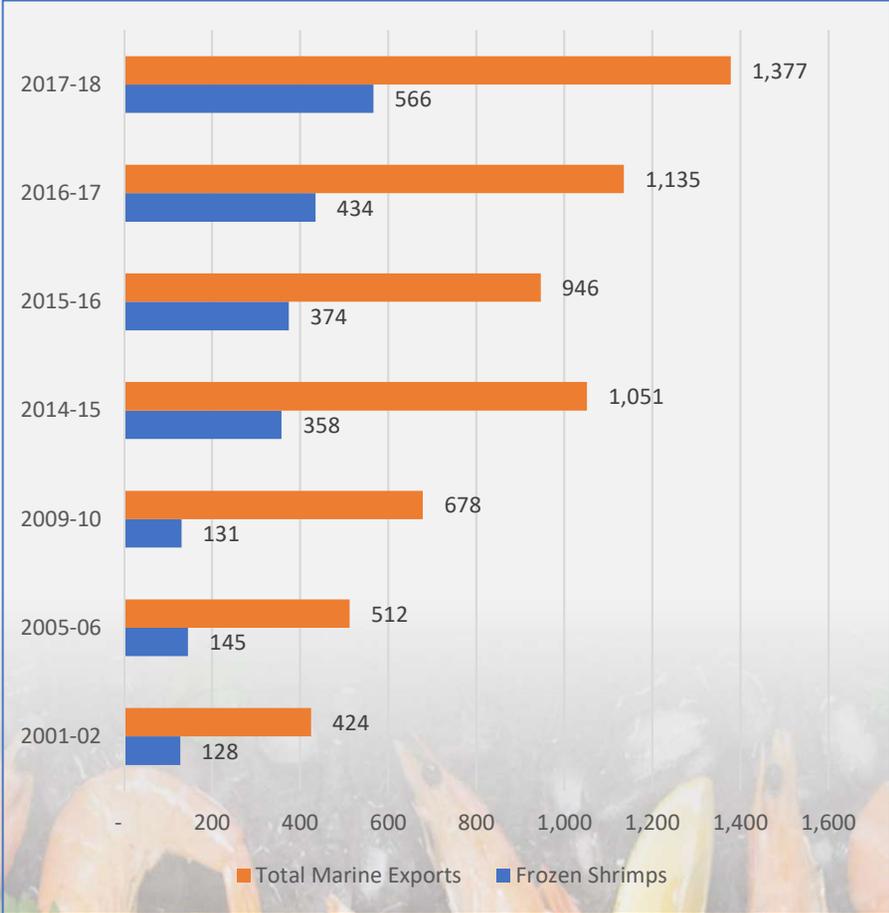
# India – Share in global Sea Food to Increase



Source: FAO

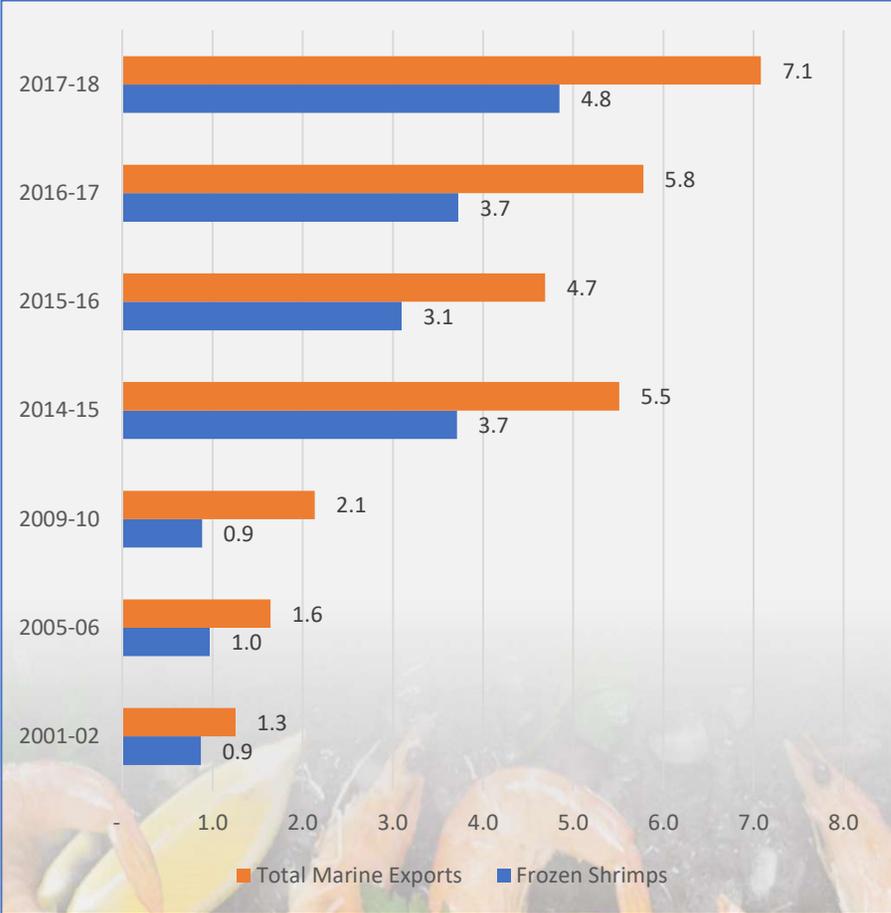
# India – Emerging player in Sea Foods Exports

**Sustained Growth in Marine Product Exports (In '000 Tonnes)**



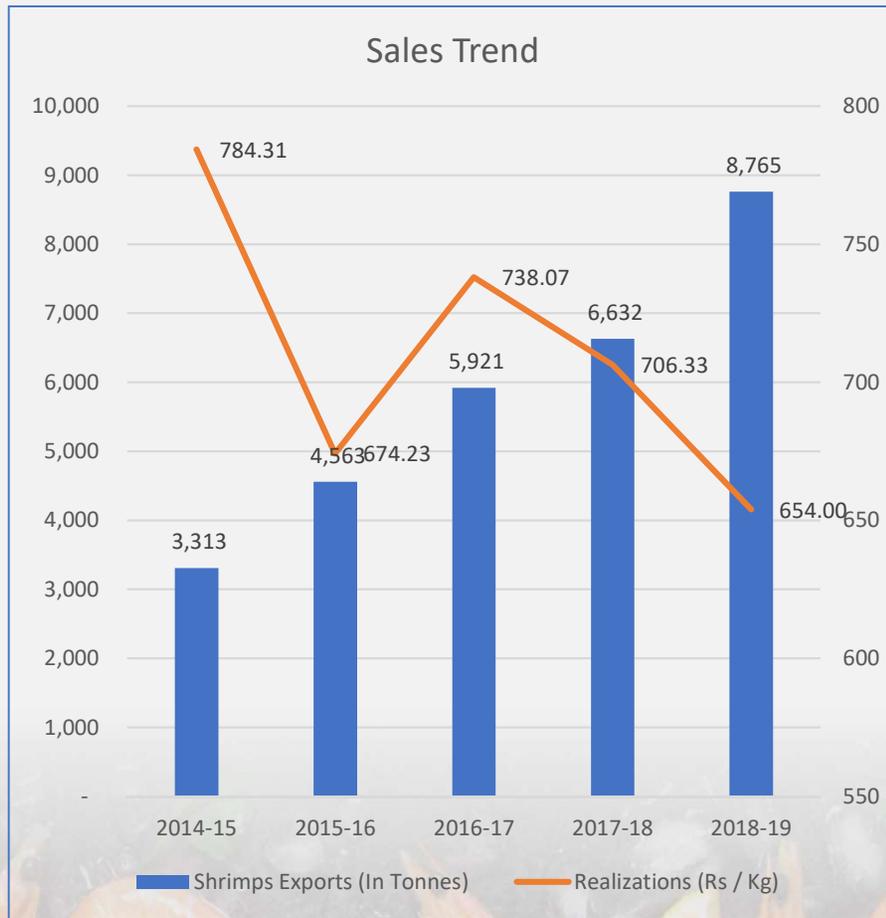
Source: MPEDA

**Sustained Growth in Marine Product Exports (USD Billion)**



Source: MPEDA

# Coastal Corporation – Leading Industry Growth



- During the period 2014-15 to 2018-19, Coastal grew its sales volume at a CAGR of 27.5% as against India's export CAGR of 16.5%
- Realizations remained under pressure on account of harsher climatic condition in major US market and inventory pile up

Coastal has embarked upon expansion plans into a new processing unit, pre-processing unit and a solar power plant with an estimated total capex of around Rs 610 million:

- New Processing Unit – estimated capex of Rs 290 million
- Pre-processing Unit – estimated capex of Rs 70 million
- Solar Power – estimated capex of Rs 250 million

The expansion would ensure volume growth and better profitability going ahead



# Q4FY2019 & FY2019 Performance

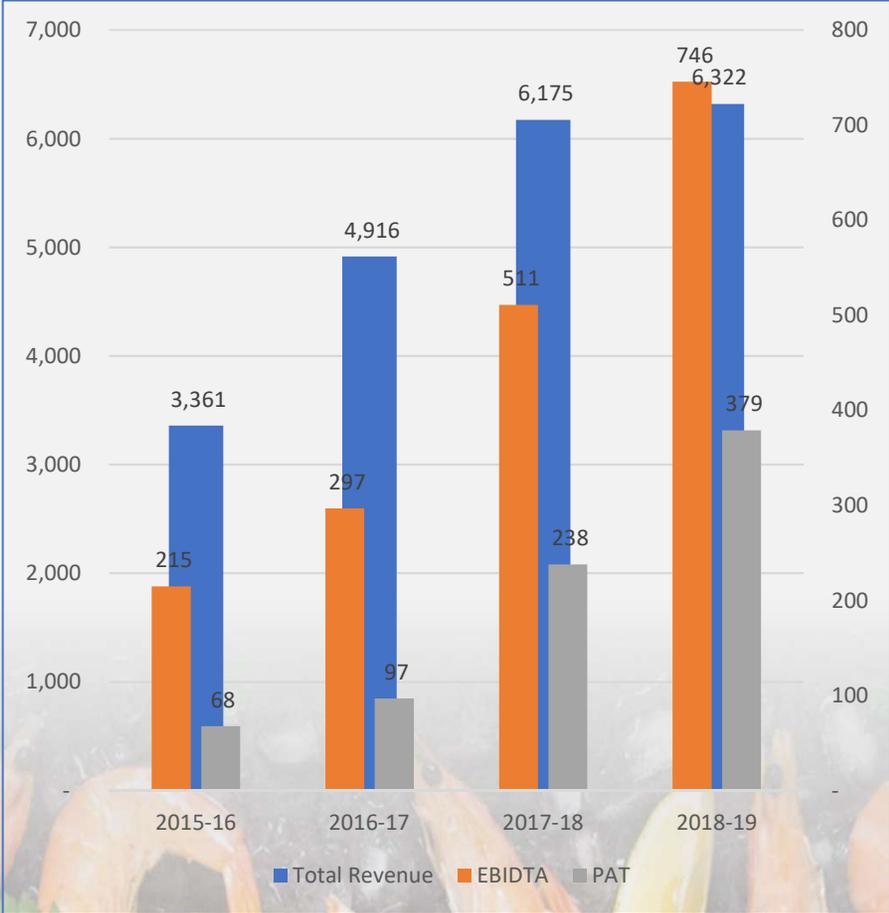
Consolidated (Rs Million)	Q4FY2019	Q4FY2018	% yoy	FY2019	FY2018	% yoy
<b>Total Revenue</b>	<b>1,619</b>	<b>1,286</b>	<b>25.9</b>	<b>6,322</b>	<b>6,175</b>	<b>2.4</b>
Raw Material Cost	1,437	1,060	35.6	5,365	5,472	(2.0)
Employee Cost	36	45	(18.6)	131	130	1.3
Other Expenses	14	37	(62.3)	79	61	29.8
<b>EBIDTA</b>	<b>132</b>	<b>144</b>	<b>(8.9)</b>	<b>746</b>	<b>512</b>	<b>45.7</b>
<b>EBIDTA Margins (%)</b>	<b>8.1</b>	<b>11.2</b>		<b>11.8</b>	<b>8.3</b>	
Depreciation & Amortization	7	8	(4.8)	34	31	8.1
Finance Cost	27	29	(8.7)	98	103	(5.6)
<b>Profit Before Tax</b>	<b>98</b>	<b>107</b>	<b>(9.3)</b>	<b>615</b>	<b>378</b>	<b>62.8</b>
Tax	41	43	(3.6)	236	139	69.8
<b>Profit After Tax</b>	<b>57</b>	<b>65</b>	<b>(12.9)</b>	<b>379</b>	<b>239</b>	<b>58.8</b>
<b>PAT Margin (%)</b>	<b>3.5</b>	<b>5.1</b>		<b>6.0</b>	<b>3.9</b>	
<b>Diluted EPS (Rs)</b>	<b>2.6</b>	<b>25.6</b>		<b>37.1</b>	<b>94.0</b>	

# Q4FY2019 & FY2019 Performance

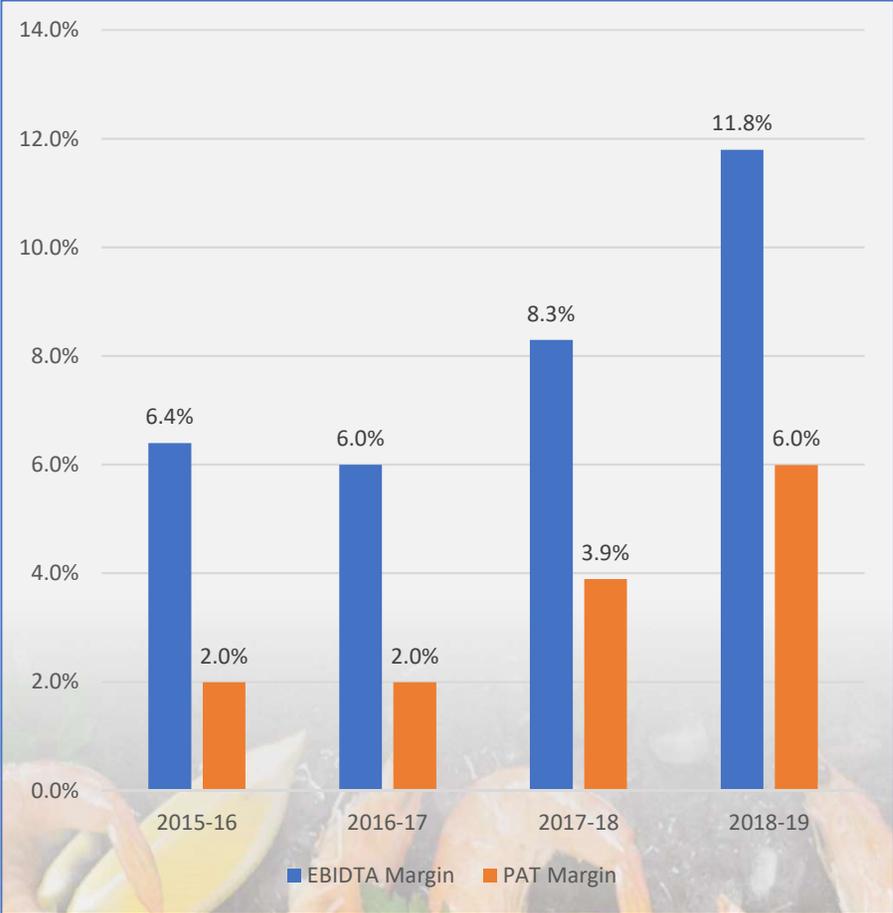
Standalone (Rs Million)	Q4FY2019	Q4FY2018	% yoy	FY2019	FY2018	% yoy
<b>Total Revenue</b>	<b>1,188</b>	<b>1,104</b>	<b>7.6</b>	<b>4,839</b>	<b>5,100</b>	<b>(5.1)</b>
Raw Material Cost	1,004	904	11.0	3,921	4,453	(11.9)
Employee Cost	25	31	(17.8)	77	89	(13.0)
Other Expenses	14	21	(33.3)	59	46	28.4
<b>EBIDTA</b>	<b>145</b>	<b>147</b>	<b>(1.7)</b>	<b>781</b>	<b>512</b>	<b>52.4</b>
<b>EBIDTA Margins (%)</b>	<b>12.2</b>	<b>13.3</b>		<b>16.1</b>	<b>10.0</b>	
Depreciation & Amortization	7	8	(20.0)	32	30	7.1
Finance Cost	17	23	(27.1)	85	93	(8.9)
<b>Profit Before Tax</b>	<b>121</b>	<b>116</b>	<b>4.7</b>	<b>664</b>	<b>389</b>	<b>70.6</b>
Tax	42	42	(1.4)	236	139	70.2
<b>Profit After Tax</b>	<b>80</b>	<b>74</b>	<b>8.2</b>	<b>428</b>	<b>251</b>	<b>70.8</b>
<b>PAT Margin (%)</b>	<b>6.7</b>	<b>6.7</b>		<b>8.8</b>	<b>4.9</b>	
<b>Diluted EPS (Rs)</b>	<b>4.7</b>	<b>28.6</b>		<b>41.9</b>	<b>98.3</b>	

# Financial Highlights

### Financial Performance (Rs Million)



### Margin Movement

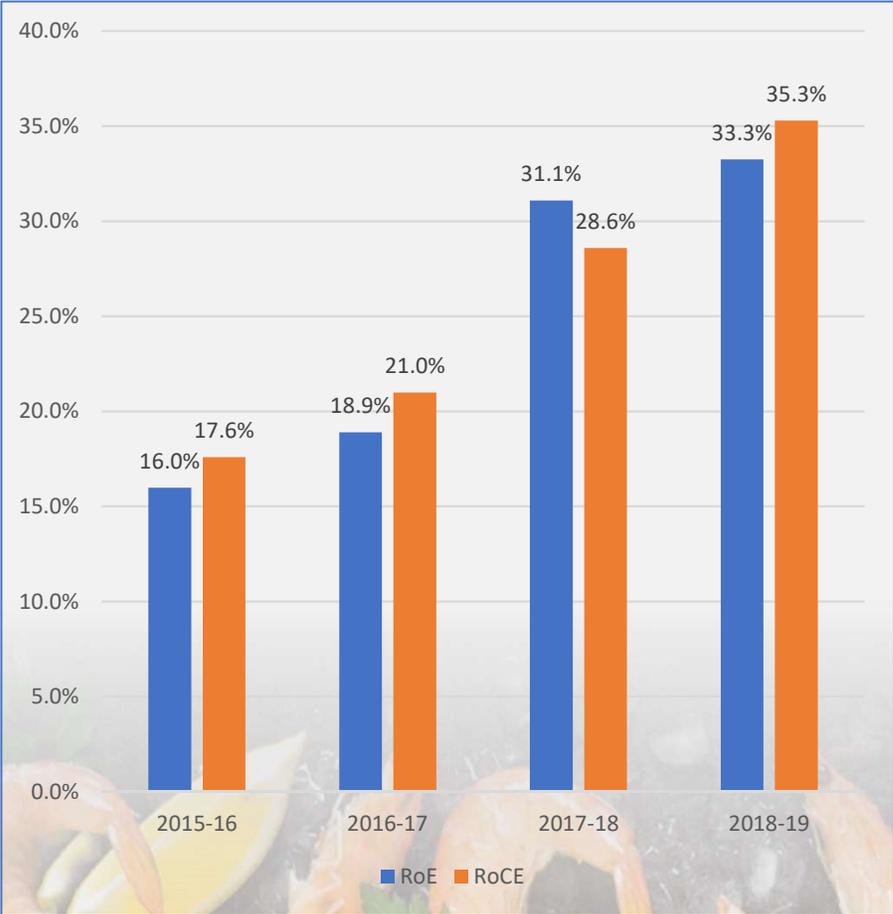


# Healthy Leverage and Return Ratios

## Leverage Position



## Return Ratios



# Balance Sheet (Consolidated)

(Rs Million)	2015-16	2016-17	2017-18	2018-19
Share Capital	25	25	25	102
Reserves & Surplus	398	488	738	1,033
<b>Networth</b>	<b>423</b>	<b>514</b>	<b>764</b>	<b>1,135</b>
Long Term Borrowings	0	11	9	4
Deferred Tax Liabilities	16	17	18	20
Other Non-Current Liabilities	35	48	44	24
<b>Non-Current Liabilities</b>	<b>51</b>	<b>77</b>	<b>71</b>	<b>48</b>
Short Term Borrowings	638	750	886	876
Trade Payables	162	354	431	440
Other Current Liabilities	30	45	156	260
Short Term Provisions	62	114	33	23
<b>Current Liabilities</b>	<b>892</b>	<b>1,263</b>	<b>1,505</b>	<b>1,598</b>
<b>Total Liabilities</b>	<b>1,366</b>	<b>1,853</b>	<b>2,340</b>	<b>2,781</b>

(Rs Million)	2015-16	2016-17	2017-18	2018-19
Net Block	349	321	450	442
Capital Work-In-Progress	0	6	0	24
Other Non-Current Assets	149	224	121	133
Deferred Tax Assets	0	0	0	0
<b>Non-Current Assets</b>	<b>498</b>	<b>550</b>	<b>571</b>	<b>599</b>
Inventories	431	619	789	1,148
Trade Receivables	282	412	508	323
Cash & Cash Equivalents	12	22	172	276
Other Financial Assets	136	243	10	11
Other Current Assets	7	7	290	424
<b>Current Assets</b>	<b>869</b>	<b>1,303</b>	<b>1,769</b>	<b>2,182</b>
<b>Total Assets</b>	<b>1,366</b>	<b>1,853</b>	<b>2,340</b>	<b>2,781</b>

# Balance Sheet (Standalone)

(Rs Million)	2015-16	2016-17	2017-18	2018-19
Share Capital	25	25	25	102
Reserves & Surplus	412	542	800	1,146
<b>Networth</b>	<b>438</b>	<b>567</b>	<b>826</b>	<b>1,248</b>
Long Term Borrowings	0	11	9	2
Deferred Tax Liabilities	16	17	18	20
Other Non-Current Liabilities	35	48	34	23
<b>Non-Current Liabilities</b>	<b>51</b>	<b>77</b>	<b>60</b>	<b>45</b>
Short Term Borrowings	638	750	845	835
Trade Payables	150	277	271	152
Other Current Liabilities	27	43	156	254
Short Term Provisions	62	114	30	22
<b>Current Liabilities</b>	<b>877</b>	<b>1,183</b>	<b>1,303</b>	<b>1,263</b>
<b>Total Liabilities</b>	<b>1,366</b>	<b>1,827</b>	<b>2,188</b>	<b>2,556</b>

(Rs Million)	2015-16	2016-17	2017-18	2018-19
Net Block	343	314	441	435
Capital Work-In-Progress	0	6	0	24
Other Non-Current Assets	159	234	267	357
Deferred Tax Assets	0	0	0	0
<b>Non-Current Assets</b>	<b>503</b>	<b>554</b>	<b>708</b>	<b>816</b>
Inventories	289	496	458	826
Trade Receivables	413	456	486	51
Cash & Cash Equivalents	8	6	67	72
Other Financial Assets	134	239	107	205
Other Current Assets	19	75	363	585
<b>Current Assets</b>	<b>864</b>	<b>1,273</b>	<b>1,480</b>	<b>1,740</b>
<b>Total Assets</b>	<b>1,366</b>	<b>1,827</b>	<b>2,188</b>	<b>2,556</b>

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# Thank You

For Further Information – contact:



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[info@bluestonefidelis.in](mailto:info@bluestonefidelis.in)