



**The procedure followed in the decision making process, including channels of supervision and accountability:**

a. In MDL, at present, there are two Business Verticals i.e. Shipbuilding & Submarine. These two Business Verticals function like separate Strategic Business Unit (SBU). Each SBU has got a few embedded departments / functions viz. Planning & Designing, Quality Assurance, Commercial, Finance & HR. This apart, there are also separate departments, which sometimes function under a shared Service Model for these two verticals and primarily undertake various strategic & business roles. These departments are HR & Administration, Materials, Finance, Internal Audit, IT, Security and Outsourcing etc., which cater to the requirement of both Business Verticals for the purpose of Production and Operation & Maintenance.

b. All these two Business Verticals and the common departments are grouped under four divisions viz. Shipbuilding, Submarine, Corporate Planning & Personnel and Finance. These four Divisions are headed by Functional Directors, who reports to the Chairman & Managing Director (CMD). CMD and all the Functional Directors are the members of the Board of the Company and are appointed by the Government of India. Each department comprises various sections. These departments are invariably headed by EDs / GMs and all sections are headed by the Sectional Heads viz. AGMs, DGMs & CMs.

c. The Board of Directors are empowered to discharge certain functions, which flow from the Memorandum of Understanding (MoU) and Articles of Association (AoA). The Board of Directors are assisted by CMD who exercise his powers in terms of the delegated powers of the Board. Further, CMD is assisted by the Functional Directors, who discharge various functions as per the delegated powers. These powers are further delegated down to the level by virtue of administrative order. In order to carry out various delegated powers, certain policies and procedures are in place with the approval of the Board of Directors. These powers are exercised by the delegated authority in accordance with the policies and procedures laid down by the Competent Authority.

d. MDL has been following a pyramid structure, where the jobs of the executives are closely monitored, supervised and guided by their next superiors. All the executives are accountable to their functions and decisions. The channel of supervision is upward, for e.g. assigned job of Head of Sections (HOS's) is monitored and supervised by the Head of Departments (HoD's). HODs performance is supervised and monitored by the respective Director. The performance of the Directors is monitored by the CMD, who is accountable to the Board for all matters.

Overall Management of the Company rests with the Board of Directors, the highest decision making body within the Company.

The Board of Directors is accountable to the shareholders of the Company, who are real owners of a Company. MDL being a Public Sector Enterprise, the Board of Directors of the Company is also accountable to the Government of India.

The primary role of the Board is that of trusteeship to protect and enhance shareholders' value. The Board oversees the Company's strategic direction, reviews corporate performance, authorizes & monitors strategic decisions, ensures regulatory compliance and safeguards interests of shareholders.



माझगांव डॉक शिपबिल्डर्स लिमिटेड  
**MAZAGON DOCK SHIPBUILDERS LIMITED**  
**(Formerly Known as Mazagon Dock Limited)**  
Dockyard Road, Mumbai - 10  
CIN: L35100MH1934GOI002079  
**Right to Information Act – 2005**

The Board ensures that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

The day-to-day management of the Company is entrusted with the Chairman & Managing Director (CMD), who is supported by Functional Directors, Executive Directors & General Managers and other Officers and Staff of the Company.

The Board of Directors have also set up several Committees with specific functions and powers like Audit Committee; Nomination and Remuneration Committee; CSR & SD Committee; Stakeholders Relationship Committee; Management Committee; and Risk Management Committee etc.

For effective discharge of its functions, the Board of Directors have delegated substantial powers to the CMD, Functional Directors / Executive Directors / General Managers / Functional Heads / Department - Group Heads, subject to such conditions which are consistent with the need of prompt, effective and efficient discharge of responsibilities entrusted to such a Director / Officer.

CMD is accountable to the Board of Directors. Functional Directors are accountable to CMD.

The Company undertakes all the business related decisions in timely manner.

### **Channels of supervision and accountability:**

BOARD OF DIRECTORS
CHAIRMAN AND MANAGING DIRECTOR (CMD)
FUNCTIONAL DIRECTORS
EXECUTIVE DIRECTORS
GENERAL MANAGERS
FUNCTIONAL MANAGERS