

### III) PROCEDURES FOLLOWED IN THE DECISION-MAKING PROCESS, INCLUDING CHANNELS OF SUPERVISION AND ACCOUNTABILITY

The decisions making process in the Company involves the following Channel:



The overall management of the company lies with the Board of Directors, which serves as the highest decision-making body within the organization. The Board is responsible to the shareholders, who hold ultimate authority. Since 100% of the company's share capital is held by MSEB Holding Company Ltd., which, in turn, is entirely owned by the Government of Maharashtra.

Under the Companies Act, 2013, certain matters must be approved by the shareholders at general meetings. Additionally, the company's Articles of Association outline matters requiring shareholder consent. The Board's primary responsibility is to act as trustees to safeguard and enhance shareholder value. This includes steering the company's strategic direction, evaluating performance, authorizing major decisions, ensuring legal compliance, and protecting the interests of shareholders. It also ensures that the company operates in alignment with stakeholder aspirations and societal expectations.

The day-to-day operations are managed by the Chairman and Managing Director, who is supported by Functional Directors, officers, and staff. To streamline operations, the Board has established committees with specific responsibilities. The Board delegates significant powers to the Chairman and Managing Director, who further assigns specific authorities to Functional Directors and officers, ensuring efficient management under proper oversight.

Accountability flows through this structure: the Chairman and Managing Director are answerable to the Board of Directors, Functional Directors report to the Chairman and Managing Director, and officers are responsible to their respective Functional Directors.