



एक कदम स्वच्छता की ओर

माझगांव डॉक शिपबिल्डर्स लिमिटेड

(भारत सरकार का उपक्रम)

Mazagon Dock Shipbuilders Ltd.

(Formerly Mazagon Dock Limited)

(A Govt. of India Undertaking)

CIN : U35100MH1934GOI002079

डॉकयार्ड रोड, माझगांव, मुंबई - 400 010

Dockyard Road, Mazagon, Mumbai - 400 010

Certified - ISO 9001-2015

संदर्भ क्रमांक

Ref. No.

दिनांक

Date

27 May 2022

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai-400 001
Scrip Code: 543237

To
National Stock Exchange of
India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai - 400 051
NSE Symbol: MAZDOCK

Sub: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 –Publication.

Dear Sir,

1. We are enclosing herewith a copy of the questionnaire by Times of India for publication.
2. The above information is submitted in terms of Regulation 30 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Thanking You,
Yours Faithfully,
For MAZAGON DOCK SHIPBUILDERS LIMITED

(Vijayalakshmi Kumar)
Company Secretary

Encl: as above



फोन +91(22) 2376 2000
Phone +91(22) 2376 3000
+91(22) 2376 4000

फैक्स (Design) +91(22) 2373 8159
Fax (Material) +91(22) 2373 8151
(Finance) +91(22) 2373 8338

(Proj-C) +91(22) 2373 8147
(East Yd.) +91(22) 2373 8333

वेबसाईट : www.mazagondock.in
Website : www.mazagondock.in

IRQS
A DEPARTMENT OF
INDIAN REGISTER OF
SHIPPING

REPLIES OF QUESTIONNAIRE FOR TOI

1) Which and when was the first warship made by the dock?

Ans-MDL was taken over by the GoI in the year 1960. The first frontline warship built and delivered by MDL to Indian Navy (IN) was in the year 1972, i.e. INS Nilgiri.

2) So far, how many warships and submarines have been dedicated to India?

Ans: Since 1960, MDL has delivered 26 frontline warships and 6 submarines to the IN.

3) After having launched Vagsheer, what is Mazagon Dock Shipbuilders Ltd order book like for the Indian Navy and Coast Guard?

Ans-

<u>Order book as on 31.03.2022</u> (Provisional)	<i>Rs. In</i> <i>Cr</i>
Project	Balance
P75	4,975
P15B	19,919
P17A	20,819
MRLC	175
Others	69
Provisional Order book as on 31.03.2022	45,957

4) How many vessels have been built for the Indian Navy and Coast Guard, each?

Ans: Since 1960, MDL has built and delivered 26 frontline warships and 6 submarines to IN. Besides warships for the Indian Navy, MDL has also constructed a series of offshore patrol vessels for the Indian Coast Guard ("ICG"). Seven coast guard ships were built and delivered to the ICG between 1983 and 1990.

5) Please share the achievements of the shipbuilder?

Ans:

- a) MDL evolved from being a small dry dock in 1774 to being one of country's leading defence shipyard capable of meeting the requirements of the Indian Navy towards its warship building programmes including conventional submarines.
- b) MDL has built 799 vessels indigenously including 26 capital warships and 6 Submarines since the time it was taken over by Government of India in 1960 which is a testimony of MDL's contribution towards achieving self-reliance in Defence Production.

- c) MDL has been able to significantly enhance the indigenous content in the warships/project it has delivered to the Indian Navy. While the warships under project 15, delivered way back in 90s had an indigenous content of approx. 42%, under-construction warships under project 15B and 17A will have an indigenous content between 72 to 75%
- d) MDL is the only shipyard in India to have built Destroyers and two different types of Submarines for the Indian Navy with its facilities located in Mumbai and Nhava and thus MDL is also one of the unique shipyards in the world with such diverse range of products.
- e) Completion and inauguration of "Mazdock Modernization Project" in the year 2014. Post modernization of its facilities, the construction capacity of MDL has increased from 06 to 11 Submarines with parallel construction lines and from 8 to 10 Warships. Thus, MDL is now capable of building 10 warships and 11 submarines concurrently with its augmented Infrastructure.
- f) Listing of MDL share on BSE and NSE on 12 Oct 20. The IPO was over-subscribed 157.42 times and has been hailed as one of the most heavily subscribed IPOs of 2020.
- g) Despite shipbuilding being a labour intensive industry, MDL has managed to overcome the challenges posed by COVID 19 pandemic and delivered record 3 defence platforms (2 Submarines & 1 Destroyer) in a single calendar year of 2021.

6) Has the dock ever built and / or repaired & refitted any of the foreign warships?

Ans: No. However last week US Navy delegation visited MDL for capacity assessment of MDL facilities. We have submitted an offer to US Navy for repairs of a cargo vessel (support vessel).

7) What is the workforce strength?

Ans: Approx. 960 executives & 4828 Operatives & Staff including Permanent, Fixed Term & Outsourced employees, thereby totalling up to around 5800 employees as on end of Apr`22.

8) Any expansion plans?

Ans: MDL is currently undertaking capital expenditure by way of construction of a Submarine Launch facility. The Submarine Launch facility, currently under construction, will enable us to launch the Submarines from our yard itself.

MDL is exploring the feasibility of developing a greenfield shipyard at Nhava, Navi Mumbai with a shiplift or a Dry Dock, wet basin, workshops, stores and buildings and a ship repair facility spread over an area of 37 acres which we believe will be suitable for construction and repair of warships and commercial ships with larger dimensions. Alternatively, MDL is also looking at the acquisition of 11.5 acres adjacent land from MbPT. However, a firm decision in this regard would be taken based on future order visibility.

09) Is MDL eyeing to build aircraft carriers, akin to Cochin Shipyard?

Marketing:

Ans: No

10) Overall, what are the challenges faced so far and how were they tackled?

Ans: During the first wave, COVID-19 pandemic had affected the Company's ability to maintain continued operations or otherwise operate or conduct its business at pre-pandemic levels. Thereafter, there had been a surge in the number of COVID cases in Mumbai and its suburbs during the second wave. MDL had resorted to reduced strength of executives and non-executives in accordance with the Government of Maharashtra Covid-19 guidelines. However, MDL by all means has left no stones unturned to achieve the targets following all Covid-19 protocols and safety measures at workplaces. MDL has managed to overcome the challenges posed by COVID 19 pandemic and delivered three Naval Platforms to the *IN* in the year 2021. MDL is confident to reach closely towards defined VoP targets against all odds.

11) How has involvement of private players impacted the defence production business?

Ans: The Indian shipbuilding industry comprises of both public and private sector yards. The Defence Procurement Procedure, 2016 ("DPP 2016") has encouraged the domestic private sector to invest and participate in defence production and acquisition of defence assets, which will result in the introduction of competitive bidding for warships as against the traditional system of securing orders through nomination. GoI also seeks to identify other Indian private companies as 'strategic partners' who would enter into collaboration arrangements with a few shortlisted foreign original equipment manufacturers ("OEMs") for manufacturing Naval Platforms. However, MDL believes that with the shipbuilding experience acquired over the years, availability of highly skilled and specialized human resource, modernized capital & IT infrastructure and indigenization legacy, MDL will be able to bag orders on competitive bidding basis.

12) What has been the contribution towards the Oil & Gas sector?

Ans: MDL had diversified into the construction of Offshore Platforms and Oil Rigs in the 1970s. In the early 2000s, MDL had eased off its offshore division to cater to the needs of defence platforms. During the span of approx. 30 years, MDL had fabricated and delivered jackets, main decks of wellhead platforms, process platforms and jack up rigs, etc. In addition to the Offshore Platforms, MDL had also constructed Offshore Supply Vessels (OSVs) and Multipurpose Support Vessels (MSVs) for ONGC.

13) What was the dock's revenue when it was a small scale dry dock, centuries ago, vis-à-vis what is the revenue now?

Ans- The Company was taken over by the GOI in 1960 and we have some structured data available since then. As per records, the Dock's revenue was around Rs.2.50 crores for FY 1960-61 that has grown to around Rs.5600 crores for FY 2021-22. Figures for FY 2021-22 are, however, un-audited & provisional. At Rs.5600 crores, this is the highest revenue from Operations achieved by MDL since inception.

During the preceding ten years, the revenue from Operations has risen at CAGR of more than 9%. (FY 2012-13 Rs.2331 crores; FY 2021-22 Rs.5605 crores).

14) Annually, how many vessels are exported?

Ans: MDL has exported 243 vessels to Mexico, France, UK, Iran, Yemen, Mozambique, etc. Our last export of two vessels in the year 2012 and 2014 to Mexico and Bahamas. We have also started repair/refit of foreign flagged vessel in MDL. Recently we completed repairs of a Singapore flagged vessels and presently a Korean vessel is berthed in MDL wet basin for afloat repairs. Furthermore, MDL has been selected as the preferred production partner to undertake major ship construction activities for M/s SSK Zvezda Shipbuilding complex Russia. In this regard MDL had signed a Letter of Intent on 03 Sep 21 to show interests in collaborating with each other.

15) What is the kind of annual revenue realised from overseas orders?

Ans- MDL has, in the past, supplied vessels to a number of countries. However, after the capacities were booked by large sized naval orders for the past more than a decade, the focus has been on servicing the Defence orders. As such, there is no significant revenue booking from Overseas orders over the last couple of years. However, as the deliveries of Naval orders are progressing and the Submarine project is likely to be fully delivered over coming two years or so, MDL once again is open to non-defence & export orders and towards this the following steps have been initiated-

a) A road map for exports has been drawn-up, target countries have been identified and agents have been appointed in some of the territories where export potential exist.

- b) MDL efforts are on for pursuing exports with various countries following both the G2G route wherein the Govt have opened Lines of Credit (LoC) with funding typically extended by EXIM bank as well as the B2B route with sovereign guarantee of the recipient nation. MDL is currently pursuing Defence LoC projects for the Bangladesh Navy
- c) MDL has been continuously in touch with Indian Embassies/High Commissions abroad & Foreign Embassies in India to identify and explore/tap more business.
- d) To enhance defence exports, MoD has allocated twelve (12) Geographical Regions / Countries to MDL for taking up focussed promotional activities. MDL is responsible for export promotion and marketing of entire spectrum of exportable platforms/subsystems/components manufactured by Defence Industries in India (both in public and private sector), and coordination of all trade exhibitions being held in these countries/regions.
- e) MDL has revived the ship repair and refits of Naval and commercial vessels. MDL has recently provided yard facility to two foreign flagged commercial vessel from Singapore and South Korea for afloat repairs. MDL is the only Indian shipyard to build, undertake construction, refit & provide Life Cycle Support for conventional submarines. MDL is exploring opportunities for refits of submarine for foreign navies and currently discussions are going on with Asian and South American countries.
- f) In order to increase export revenue, MDL has submitted the proposals to various countries viz. Philippines, Tanzania, Egypt, Sierra Leone, Malaysia, Maldives, Argentina for design and construction of different variants of vessels/platforms.
- g) MDL has been selected as the preferred production partner to undertake major ship construction activities for M/s SSK Zvezda Shipbuilding complex Russia. MDL has submitted a BQ for the fabrication work and the feedback is awaited.
- h) MDL has also submitted BQ to US Military Sea Lift Command for repairs of Support vessel of US Navy. The delegation visited MDL for capacity assessment for future collaboration for offloading the repairs of US Navy support vessel to MDL.

16) Any plans to overhaul and modernise Mazagon Dock partly or entirely?

Ans: MDL has chalked out short-term CAPEX plan with regard to modernization of its infrastructure, which, among other things, includes repairing of Nhava Yard jetty to commence production/repair business, Capital Dredging of Navigational Channel and construction of Floating Dry Dock.

17) What's the road map of the dock to have its enhanced presence not only in India but across the globe to emerge as India's leading and the best shipbuilder?

Ans: Quality at MDL is always in line with the global requirements. However, for MDL to be at par with the global shipyards for both commercial and defence shipbuilding, MDL needs to be competitive in their pricing and strategic in meeting the project time lines. MDL is keeping ready in-house designs to suit the market scenario so that design time lines are minimal once MDL bags an order. MDL is also adapting outsourcing and sub-contracting model to squeeze the production duration. Moreover, MDL is handholding Indian companies to develop various equipment indigenously so that the shipment time is considerably reduced. MDL had indigenized twenty (20) equipment through handholding various Indian companies. MDL has already identified firms for collaboration in design, new builds and repair through EoI process. Furthermore, augmentation and upgradation of infrastructure is also being aggressively pursued to meet the growing needs of commercial and defense ships.