



एमएसटीसी लिमिटेड
(भारत सरकार का उपक्रम)
MSTC LIMITED
(A Govt of India Enterprise)
CIN : L27320WB1964GOI026211

e-assuring
INDIA

MSTC/CS/SE/643

5th June, 2025

1. The Dy. Manager (Listing)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001.
(Scrip Code: 542597)

2. The Manager, Listing Department
National Stock Exchange of India
Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai 400 051
(Scrip Code: MSTCLTD)

Dear Sir/Madam,

Sub: Transcript of Conference Call with the Investors/Analyst

The Company had organized a conference call with the Investors/Analyst on Friday, 30th May, 2025 at 12:00 Noon IST to discuss the Financial performance of the Company for the quarter and year ended 31st March, 2025. A copy of transcript of conference call held with the Investors/Analysts is enclosed herewith for your information and records.

Copy of aforesaid transcript is also hosted on company's website www.mstcindia.co.in.

Thanking you,

Yours faithfully,

For MSTC Limited



(Ajay Kumar Rai)
Company Secretary & Compliance Officer

Encl: as above

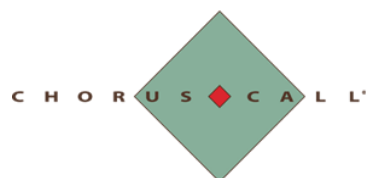
www.mstcindia.co.in / www.mstcecommerce.com

पंजीकृत कार्यालय : प्लॉट सं. सीएफ 18/2 मार्ग सं. 175 एक्शन एरिया 1 सी न्यूटाउन कोलकाता 700156 प.ब.

Regd. Office : Plot No. CF18/2, Street No. 175, Action Area 1C, New Town, Kolkata-700156 W.B.



**“MSTC Limited
Q4 FY '25 Earnings Conference Call”
May 30, 2025**



**MANAGEMENT: MR. MANOBENDRA GHOSHAL – CHAIRMAN AND
MANAGING DIRECTOR – MSTC LIMITED
MS. BHANU KUMAR – DIRECTOR (COMMERCIAL) –
MSTC LIMITED
MR. SUBRATA SARKAR – DIRECTOR (FINANCE) –
MSTC LIMITED
MR. AJAY KUMAR RAI – COMPANY SECRETARY –
MSTC LIMITED**

MODERATOR: MR. DEEP MODI – EQUIRUS SECURITIES

Moderator:

Ladies and gentlemen, good afternoon, and welcome to the MSTC Limited Q4 FY '25 Earnings Conference Call hosted by Equirus Securities Private Limited. As a reminder, all participant line will be in listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, you may signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I would now like to hand the call over to Mr. Deep Modi from Equirus Securities Private Limited for opening remarks. Thank you, and over to you.

Deep Modi:

Thank you. Good afternoon, everyone. On behalf of Equirus Securities, I welcome you all to Q4 FY '25 earnings conference call of MSTC Limited.

From the management, we have with us today Mr. Manobendra Ghoshal, Chairman and Managing Director; Ms. Bhanu Kumar, Director, Commercial; Mr. Subrata Sarkar, Director of Finance; and Mr. Ajay Kumar Rai, Company Secretary. We will begin the call with the opening remarks from the management, and then we will open the line for question and answers. I now hand over the call to Mr. Manobendra Ghoshal. Over to you, sir.

Manobendra Ghoshal: Thank you. Good morning to everybody. Let me begin by welcoming all our esteemed investors for today's investor call. MSTC has been through an eventful FY '25, which has seen not only a lot of uncertainty in the global and national business environment, but has been a time for us to introspect and realign our core business.

FSNL, a 100% owned subsidiary of MSTC, which has been under a strategic disinvestment as per the decision of the Government of India was fully and finally transferred to new management on the 21st of January 2025. MMRPL, which is a 50-50 joint venture with M/s. Mahindra Auto, also has gone through a phase of consolidation and a lot of thought about the way forward. I'll dwell on that shortly in a while.

As far as revenue from operations of MSTC is concerned, it showed a largely flat trend compared year-on-year. This was despite the loss of 2 large parts of the business that is coal auctions for Coal India Limited and NPAs of public sector banks for a large part of the year. The bright side was that by the last quarter, MSTC managed to get back the coal auction business as a service provider for Coal India through a competitive bidding process.

And we hope for a steady revenue stream from here on from this. Similarly, we've launched our MSTC realty portal and are trying to leverage this and the buyer base developed for NPA auctions for the PSBs by reaching out to cooperative banks, other smaller private entities, aggregate their NPA disposal and auction requirements and drive greater volumes from this part of the business.

On the other hand, our traditional business of scrap disposal, revenues grew about 10% year-on-year. And there was a healthy increase in revenues from iron ore auctions as well. For mineral block auctions, MSTC provided services to almost all states as well as those auctioned through the Ministry of Mines. New initiative has been the launch of Tranche 1 of offshore mineral blocks. Ministry of Information and Broadcasting selected MSTC for e-auction of 730 FM channels across 234 cities, which will begin shortly.

The Ministry of Civil Aviation has launched the version 5.5 of the UDAN scheme, for which MSTC will conduct the process in this coming year. For the state of Chhattisgarh, we developed an extremely responsive forest timber

auction portal, which has helped the state to maximize revenues from the sale of timber and make the process extremely transparent.

We have also conducted the third tranche of the 5G spectrum auction for the Department of Telecommunications in FY '25. Another area that MSTC has forayed in, in FY '25 has been development of portals and dashboards. This is leveraging our core strength of software application development. We are working with the MHA for developing a portal for KPKB and developed a comprehensive Steel Import Management System, SIMS 2.0 for the Ministry of Steel, website for the Ministry of Steel, SRTMI and so on.

This is a promising area as far as we visualize that our expertise would be used to quickly develop and customize these kind of applications and portals, dashboards, etcetera for multiple clients. MSTC has also taken up the work of coal gasification project e-commerce solution.

And we are looking to increase our footprint in e-auctions of all other natural resources as well as for MDOs subsequently, facilitating the utilization of these resources for development. As far as MMRPL is concerned, with the EPR policy now under implementation, the sourcing of vehicles, which was a primary constraint till now should get alleviated over the next 2 to 3 years as these will subsequently and progressively be more OEM driven. And this venture should be able to show a healthy growth in numbers from here on again.

With this, I would like to request Director Commercial, Ms. Bhanu Kumar to supplement us regarding MSTC's business scenario, followed by Mr. Subrata Sarkar, our Director Finance, to give us a financial snapshot.

Bhanu Kumar:

Thank you, sir. Good afternoon, everybody. Before I start on the business update, most of which has already been touched upon by our CMD, I would like to highlight the key aspects of what went in Q4 of last year and also talk about the business update thereafter.

So the first item in the highlights is the exceptional item of the management control of FSNL being transferred, and we received a sum of about INR320 crores as sale proceeds. Now appreciation of value of this investment was INR301.69 crores, and this has been booked as an exceptional income. There was some old litigation for which settlement was there at INR38.50 crores, which has also been taken under the exceptional expenditure. Net off is appearing as the INR263.19 crores exceptional income.

Operational performance, the company crossed INR898.23 billion in terms of value of goods transacted through e-commerce and marketing verticals. Financial performance, profit before exceptional item was INR240.71 crores in '24-'25, which was INR284.44 crores in '23-'24. PBT of INR503.90 crores in '24-'25 vis-a-vis INR284.44 crores in '23-'24. This of course includes the exceptional item.

PAT was INR402.98 crores vis-a-vis INR171.92 crores in '23-'24. The consolidated PBT before exceptional item was INR244.81 crores in '24-'25 vis-a-vis INR277.57 crores in '23-'24. PBT was INR507.99 crores vis-a-vis INR277.57 crores, and PAT was INR407.08 crores vis-a-vis INR165.05 crores.

Now coming to the business updates. Some of the business projects that we had undertaken in '24-'25, and which is continuing in this current year also is the minor mineral block auctions for the Government of Goa, Arunachal Pradesh, and Ladakh. Then we have signed the agreement with Ministry of Mines for offshore minerals. Tranche 1 of these options has been launched and it is underway.

Ministry of I&B has selected MSTC for the 730 FM channels across 234 cities. I think most of the other things has already been covered by our CMD's address except that, yes, Selling Agency Agreement with BPCL, which is a little significant as far as scrap auctions are concerned, that has been done in the last year, last quarter. And the coal block auctions, the 11th tranche is happening as of now.

Chhattisgarh Forest Department auction is slightly tricky kind of a new software which was introduced in the current financial year. It is extremely responsive and it was a major challenge as far as the technology and the software part is concerned. Then we have conducted the 5G spectrum auction on behalf of DoT. And we have developed a portal for the Kendriya Police Kalyan Bhandar. This is basically for the canteen stores for all their personnel across the country.

This is first of its kind, and this can be replicated for other organizations as well in the future. Then we had continued with our services for the Online Draw System for selection of LPG and petrol pump dealerships. Apart from that critical mineral, coal gasification, all these have already been touched upon. Now I'll hand over to Mr. Subrata Sarkar, our Director Finance for the financial part of it.

Subrata Sarkar:

Yes. Very good afternoon to all. Just to start with, this was a very tough year for MSTC as already narrated by our earlier speakers. So in spite of that, I will call it a very robust performance. We maintained that revenue stream. We maintained that profit stream and company did well in my opinion. The company did pretty well while withstanding the challenges available in the market, posed by the market.

Coming to the numbers. So total revenue is INR387.50 crores as compared to INR416.59 crores. E-commerce has a flatter performance, INR278.29 crores as compared to INR280.28 crores. And others is INR107.36 crores as compared to INR134.27 crores. This comprises of other operating revenue and other income part of this financial year.

And we want to remind our esteemed stakeholders that this year the management and control of FSNL was transferred as a result MSTC has not received any dividend from FSNL. Last year, it was INR25.60 crores. So that gap was there and is evident from the financials that. In the expenses, we have tried to maintain the expenses at the same level in spite of hike and inflationary pressure on us.

It is INR127.46 crores as compared to INR124.42 crores, a mere increase of 2.44% only. Depreciation has gone up from INR7.32 crores to INR9.09 crores on account of certain capital asset addition.

Interest, very bare minimum. And here a new line item, impairment losses of INR10.06 crores has come up. Though it is an accounting exercise necessitated as per the accounting standards that has to be followed while preparation of the account. The management is hopeful that this recovery will be made very soon. Exceptional item comprises of basically 2 things.

One, net proceeds from FSNL sale, and second, payment of some old arbitration award/ settlement of old arbitration award. So with that profit before tax stands at INR503.90 crores as compared to INR284.44 crores. That is up by 77%.

Taxes almost remaining the same because the rates have come down. So from INR112.52 crores it comes to INR100.92 crores. So here we would like to say that the taxes have been calculated on sale of FSNL on long term basis which is at the lower taxation slab. And profit after tax has come up from INR171.92 crores to INR402.98 crores. Earnings per share has come up from INR24.42 to INR57.24.

Now the segmental reporting that we can see that the volumes is INR898.23 billion as compared to INR1,415.86 billion last year. Total revenue is INR387.50 crores as compared to INR416.59 crores. And revenue from e-commerce is INR278.29 crores as compared to INR280.28 crores, in which that e-auction/e-sale is INR272.86 crores as compared to INR274.44 crores.

E-procurement remaining almost the same at INR5.43 crores as compared to INR5.84 crores. Other income just earlier mentioned, it is down from INR134.27 crores to INR107.36 crores. Contributing factor was the non-receipt of dividend from FSNL of INR25.6 crores, which was there in the earlier year, that is FY '23-'24.

Marketing revenue remained the flatter in a same trajectory and expenses all already narrated. So with that, adding to the impairment losses, profit, and loss before exceptional item is INR240.71 crores as compared to INR284.44 crores last year, that is down, but mainly contributing factor is that dividend one. Otherwise, so far on the operational front, it is on the same trajectory. And with the effect of exceptional income INR263.19 crores, PBT stands at INR503.90 crores as compared to INR284.44 crores. And profit after tax, comes to INR402.98 crores as compared to INR171.92 crores.

Now coming to the consolidated part. So here we want to mention like that this year the consolidation has been done only taken into effect of our share and profit and loss from joint venture because FSNL is no longer the subsidiary of our company. And on 21st January, 2025 that management has been handed over to the new incumbent.

So with that the total revenues remains as it is of the standalone part, and with the share of profit and loss of joint venture, its profit and loss before extensional item comes to INR244.81 crores as compared to INR277.57 crores.

Previous year figures have been regrouped eliminating the figures of FSNL. Exceptional item is INR263.19 crores. PBT before tax on consolidated basis is INR508 crores as compared to INR277.57 crores, and profit after tax comes to INR407.08 crores as compared to INR165.05 crores. And earnings per share is INR57.82 as compared to INR23.44 last year.

And if you look at the summary of the P&L statement, so we can see that revenue from operation remains flatter, INR310.96 crores as compared to INR316.25 crores. Other income, as earlier mentioned also, it is INR76.54 crores as compared to INR100.34 crores, mainly because of non-receipt of dividend from FSNL.

And the employee benefit expense stands almost on the flatter trajectory, increase of mere 3.76% to INR91.32 crores as compared to INR88.01 crores. Finance cost remaining a very near minimum and depreciation also at a very lower level of INR9.09 crores as compared to INR7.32 crores. As you know that is the asset-light company.

And there is a slight minor provision, so it is a negligible amount, INR0.52 crores as compared to our revenue from operation of INR310.96 crores, not even a percentage we can calculate. Other expenses also gone down from INR36.41 crores to INR35.62 crores. With impairment losses, total expenses stands at INR146.79 crores as compared to INR132.15 crores.

So with that, this profit and loss for the period stands at INR402.98 crores as compared to INR171.90 crores. So far in the consolidated front, the expenses are INR136.73 crores as compared to INR132.15 crores, and the profit stands at INR407.08 crores as compared to INR165.05 crores.

And that is all from management side, so we can have question and answer from our team.

Moderator:

Thank you. The first question comes from the line of Kamlesh Bagmar from Lotus Asset Managers. Please go ahead.

Kamlesh Bagmar:

Yes. Sir, just one question like we have received approval from Coal India to conduct their e-auction for next 2-odd years. So how do we see the revenue growth panning out in the next couple of years?

- Bhanu Kumar:** So basically, for Coal India, it is on event basis. So as we see Coal India's mining operations have expanded and multiplied over the years. The volume of coal that's going to be sold through this e-auction is also going to increase in the coming years. Based on that we can have a fair assumption that the number of events will increase and the revenue should be on the upward trajectory only.
- Kamlesh Bagmar:** But on an overall business basis like what revenue growth we are forecasting over next 2, 3 years, ma'am?
- Bhanu Kumar:** You're talking of...
- Kamlesh Bagmar:** Overall, overall.
- Bhanu Kumar:** If you have been seeing in the past, the couple of years, it has been a little flat but we are optimistic that we may have growth. In the past, we had witnessed a growth of about 10%, 12%. So we are ambitious and we want to have that kind of growth year-on-year.
- Kamlesh Bagmar:** Okay. But what, like what would drive this growth? Because over the years, sometimes we had some issues on the Coal India side, then this financial, like on the banking side, like banks started their own portal, then what are the drivers for this growth in the coming years?
- Bhanu Kumar:** This is actually a business that is dependent on the client. So there will always be a couple of orders that will not be with us and a couple of new orders. So all the time we are striving to retain our existing business and go for expansion or roping in more clients. So this is a challenge that we have to constantly face.
- Apart from this, we do have certain ideas that we will be launching our own products, which we will sharing with you probably in the next investor con call. We do have certain products like equipment leasing portals and some ERP small solutions and all. Of course, they are in the development stage and we are just roping in the stakeholders.
- So we are actually cushioning ourselves against the loss of major clients, if at all that happens at any point of time. Our endeavor is to retain all the clients all the time. But then these up and down kind of business movements will always be there. So with these products, ready to offer products kind of thing we envision to cushion ourselves against these kind of changes.
- Manobendra Ghoshal:** One more thing I would like to supplement here is that by the very nature of e-commerce business, which is sector-agnostic. There would, over a period of evolving time, there would be a situation when certain areas of business would go down but then multiple other areas including new areas would come up. That has been the trend over the past few years. And we also foresee that, that is the kind of growth, that is the kind of thing which will drive growth over the next few years.

- Kamlesh Bagmar:** Lastly, what is the status of that real estate offering which we had initiated in last couple of quarters? So what is the traction there?
- Bhanu Kumar:** So actually, there are 2 business models there. One is an end-to-end kind of a solution, where all the operations are done by MSTC, and one is the platform services, which is similar to the services that we were offering for the PSB banks earlier. So this is a portal that's a platform service, there the traction is a little on the lower side, but many of those banks want end-to-end kind of solution, where we have advisory role also.
- So the e-sale segment of it is getting a little more traction than the realty portal, though the asset is the same, but because of the different business models we are classifying it under e-sale rather than the realty portal. I hope I'm able to clear this.
- Kamlesh Bagmar:** Yes. Yes. And the margins would be in the range of 60%, 65% that we are hopeful to maintain?
- Bhanu Kumar:** That is a little too early to talk.
- Kamlesh Bagmar:** No, I'm alluding to the overall income.
- Bhanu Kumar:** Overall...
- Subrata Sarkar:** The overall, you see the last couple of years if you can see our EBITDA margins, I believe, I take that you are talking about the EBITDA margin, right sir?
- Kamlesh Bagmar:** Yes. Yes. Yes. Without other income?
- Subrata Sarkar:** Without other income, I think we will be able to maintain beyond that.
- Kamlesh Bagmar:** At similar levels.
- Subrata Sarkar:** At similar levels. So that margins you can see if you can analyze our operating EBITDA margins. So we have maintained, although not, there is a growth in the revenue but the margins are still being maintained.
- Moderator:** We take the next question from the line of Vinay Nadkarni from Hathway Investments.
- Vinay Nadkarni:** Yes. Just wanted to check out what is this impairment loss of INR10.06 crores that you have taken.
- Subrata Sarkar:** Sir, this is for our investment in the MMRPL. So this is as per Ind AS. As it was incurring losses, so we have to do the fair valuation of the investment and for that we have to book that much of loss as impairment loss in our books for that investment impairment. This is one part. I would like to add one thing for you, sir, like though it is an accounting exercise, we are hopeful that in the

coming stages. I think our CMD would like to add something on this particular front.

Manobendra Ghoshal: Right. So as I was also mentioning that MMRPL has been in operation over the last 5 to 6 years. And even at right from the beginning it was very clear that this is a market which will take time to evolve because the ecosystem for vehicle recycling has been also in a state of simultaneous development over the country. MoRTH issued some guidelines.

Now it was up to the states who have also been implementing those guidelines in a phased manner. Simultaneously, an EPR policy was also in the works for the OEMs, which have now been under implementation. So overall, the scenario was such that as far as sourcing of vehicles is concerned, that had always been a constraint for registered vehicle scrapping facilities, not only ours, to all the major players in this sector.

At this point of time, the ecosystem is going to change in the sense that since customers, the final customers are now going to get significant benefits from recycling their vehicles through RVSFs. And the other fact is because of EPR, OEMs would be also driving the acquisition of end-of-life vehicles. So these are 2 factors which should drive the numbers up, which is why we have a positive outlook over the next 3 to 4 years of this business now coming into a steady state and growing.

Vinay Nadkarni: So could you look at profits coming in next year or would it take another year or 2 more?

Bhanu Kumar: At least a couple of years.

Subrata Sarkar: So at least a couple of years that we'll be able to take till that EPR policy matures and gives us a proper impetus to drive a profit there, sir? At least a couple of years.

Vinay Nadkarni: Yes. And secondly on this tax rate, what would be a steady state tax rate that we should consider for MSTC?

Subrata Sarkar: Pardon?

Vinay Nadkarni: Tax rate.

Subrata Sarkar: Tax rate, here I mentioned during my concall that here you can see that we have to take 2 tax rates. One for that sale of that investment we have taken, that on long-term capital gain effective rate is around 14% something, 14 point something. And for other thing, we have gone to lower tax regime where effective rate is around 25%. So we had a mixed rate this year. So when the annual balance sheet comes up, you will get a total breakup how the tax calculation has been come up. But in nutshell, I would say that there are 2 rates, sir.

Vinay Nadkarni: So going forward, will it be 25% would be a steady state rate that we could...

Subrata Sarkar: Yes, yes. Because as per that taxation laws, once we have opted for lower regime, so it will have to be at the lower regime because we cannot change that option. We have opted that and we feel that it is a right option for MSTC looking at all requirements.

Moderator: The next question comes from the line of Ronak Raichura from Vikabh Securities.

Ronak Raichura: Yes, Sir, so I was more keen on understanding whether MSTC has been able to bag any projects from private companies, while we get a lot of business from the PSUs primarily. So I was reading your previous calls and I happened to read some statements where we said that we are doing something for Reliance Industries or we're doing for some private companies. So any update on this? I mean have we been able to crack the private company, sorry, the publicly listed companies but which is non-PSUs?

Bhanu Kumar: Yes. Actually, our scrap business, we are having almost all the major players, like Indus Towers is probably our primary customer as far as scrap sale is concerned, Bharti Airtel and Indus Towers. We are also catering to the Tata Group, Tata Power, especially, then the Reliance Industries for their refinery units, scrap sales.

Of course, we are just one of the service providers, the Vedanta Group, the JSW. Then we are also catering to them for their iron ore sale, JSW, ArcelorMittal, Jindal. They are all selling part of their iron ore through our portal. L&T is another major customer, which is actually looking for our services in the scrap area.

Apart from this, they are also looking at a different business model for their processed scrap, which is the scrap that gets generated during the manufacturing or processing of their materials. So that is another new model that we will be coming up shortly. So L&T is another big client. So what happens is they first come to us for a pilot project and then slowly expand their operations. Then there are smaller, almost all the CFS units in the country.

They are selling their scrap through us. Then all the small and medium segments in various pockets of the country, the Industrial Development Corporation. OIDC is something that we had already mentioned in the past couple of years. So those business models are already in place. Once they are comfortable with the scrap disposal, they do approach us for their other requirements also. So that is how we expand in the private sector.

Ronak Raichura: Excellent. Excellent, madam. So ma'am, how is the competitive landscape there? I mean, can we expect additional traction? I mean, if our services are good, what is the general competitive landscape like? I mean, do they have 2, 3 other service providers giving similar services? Or once they are comfortable, they will give you the contract for the entire scrap sale? How does it work?

Bhanu Kumar: Actually, it depends on the client. Say, somebody like Indus Towers or Bharti Airtel, they are totally dependent on us. They have just one agreement. But then some groups like Tata's and Reliance and all, they do have multiple service providers. So based on the business requirement or the comfort level or if they have been having an association with somebody in the past or if they have their own systems, like SAP also has some kind of methodology for recording the bids. So if they are comfortable with that, then they don't want to change. They don't want to shift to our platform.

But once they see that there is some benefit, especially see the kind of services that makes our biggest advantage is the buyer base. That is how we are able to get the best offer for their material. So once they see that advantage, slowly, they shift to our platform. So it is a combined kind of a thing as of now. It is totally depend on the client.

Ronak Raichura: Okay. Okay. So buyer base is? Sorry. Can I ask one more question?

Bhanu Kumar: Yes, sure.

Ronak Raichura: Yes. So buyer base being a very important pull factor. So can we expect that the traction from this segment even for these large listed players will actually increase because of the increasing buyer base? Or I wanted to know which are the biggest competitors in this segment? I mean, which other companies are having very huge buyer bases and therefore, are able to attract customers there? Are we?

Manobendra Ghoshal: Eventually, the competition here is more with our private sector clients having a one-on-one arrangement for disposal. Rather so the competition is more in the sense of convincing the client that it is going to lead to better revenue realization for him if he goes to our portal rather than have a 1:1. So it's more of a question of that rather than as to how many other major players are there in our portal services.

Bhanu Kumar: And I'll just add to that. See, we are probably having the biggest buyer base as far as scrap sale is concerned, and there's no one matching that kind of numbers.

Moderator: The next question comes from the line of Anant from Mount Intra Finance.

Anant: I just have a couple of questions. So in your audited financial statement, the consol revenue for FY '24 was INR520 crores. In your presentation, it is stated at INR416 crores. Am I reading this correct? Is there any discrepancy? Or how should I just go about it?

Manobendra Ghoshal: Pardon?

Anant: In your audited financial statement, the PDF you brought out yesterday, FY '24 revenue was at INR520 crores. And in your presentation, it is stated as INR416 crores. So why is there a difference.

- Subrata Sarkar:** Yes. Actually, in the earlier years, just let me check out. Audited financials, you are talking about the audited consolidated financial, right?
- Anant:** Yes, consol financial for FY '24. I think you recorded revenue on marketing activity. This is my understanding.
- Subrata Sarkar:** Just a minute. In '24, FSNL was included. So right now, what we have done, we have recasted the figure and eliminated the FSNL. So almost that's it, then the stand-alone will be the same, right, sir?
- Anant:** Okay. Got it. So this INR104 crores is, I think, you did for FSNL, correct?
- Subrata Sarkar:** Right. Right. Right.
- Anant:** Okay. Got it. And another question, is it possible for you to give me a split between how much revenue comes from private sector and how much revenue comes from government as of now as of, say, FY '25?
- Bhanu Kumar:** It is very difficult because we do not have any such kind of segmentation like that. But more or less, it is in the range of 90:10.
- Anant:** Okay. Okay. That's it ma'am.
- Bhanu Kumar:** Yes, 10% is from government.
- Moderator:** The next question comes from the line of Rakesh, an investor.
- Rakesh:** My first question is regarding the news item that MSTC had bagged a contract from the Government of Telangana for e-procurement. Now as I understand, wasn't it compulsory for all government departments or the central government, state government, PSUs, et cetera, to make their procurement from the GeM portal?
- Bhanu Kumar:** Actually, we have signed an agreement with Government of Telangana, not just for e-procurement. It is for all e-commerce services that is including e-auctions, e-sale of their raw material and e-procurement. The state of Government of Telangana has chosen us as a service provider.
- There is a general advisory for the central government organizations and departments to use GeM, but the state governments are still having their own portals or using other portals also. In fact, many of the states have their own portals for procurement. But here, the Government of Telangana has decided to go with our portal.
- Rakesh:** Okay. So what will be the revenue impact just from the e-procurement activities? I understand that MSTC has been doing a lot of work for the Telangana government as far as e-sale is concerned, land parcels, et cetera. But as far as e-procurement is concerned, what is the revenue potential?

- Bhanu Kumar:** Potential is vast, but it will be very difficult to put a number to it right now because we have just very recently signed this agreement, and we'll have to see how to onboard all these things, have a mature model for uniform practices. So that's an ongoing process. We may probably give you something at the end of the year only. But right now, it's too early to say anything as far as the procurement portfolio is concerned.
- Rakesh:** Okay. My second question was regarding the data center business that you were very confident about starting. It's been a year since you had made the changes in the MoA and AoA. Any update on that?
- Bhanu Kumar:** Actually, we are now setting up a new office here in New Delhi and we'll be shifting shortly. So we are setting our second DR site here. So once that is done, probably we'll be in a position to answer to your query as to how this will, by when this new data center or what is our plan for the new data center. This is an ongoing process. So we are just wanting to first have a DR site in place and thereafter, take up this.
- Rakesh:** So by when is the DR site going to be ready, madam?
- Bhanu Kumar:** Another couple of months.
- Rakesh:** Okay. So that means revenue will start flowing only from the second half or maybe next?
- Bhanu Kumar:** This DR site is going to cater to our existing requirements only, the services that we are already offering, it's going to be a disaster recovery site for it. Going forward, we will be adding capacities and using the redundant capacities, if at all any, and monetizing it. So as of now, first, let us set it up and then consolidate our requirements of those applications already hosted, then we will probably be able to give a fair assessment of them.
- Rakesh:** Okay. And any other businesses that MSTC is looking at?
- Bhanu Kumar:** Yes. As I said earlier, we are thinking of ready to market kind of products like leasing portal for equipment and ERP, small ERP solutions for mining operations, because a lot of these customers, bidders who have been successful in coal block and mineral blocks, they are looking for small enterprise solutions for their requirements.
- So this is off-the-shelf kind of products that we are looking at. It is still in the development stage, and we will be able to market it within this financial year. The leasing portal is more or less ready. It should be rolled out in a couple of months. And based on the initial pilot project, we will be able to roll it out in a bigger way.
- Moderator:** We take the next question from the line of Kamlesh Bagmar from Lotus Asset Managers.

Kamlesh Bagmar: Yes. Ma'am, one question on the part of your revenue. Like say, we have been saying that we have grown at 10-odd percent rate over the last couple of years. But if I see your revenues, they are almost flat compared like, say, 2022, 2023, we have not grown. There may be some, let's say, revenue miss on the part of your marketing mix or there. But on an absolute revenue basis, we have literally not grown over the last 3 years.

Bhanu Kumar: No, I had not said that we have grown year-on-year at 10%. The last 2 years have been flat. Before that, it was in the range of 10% to 12%.

Manobendra Ghoshal: If I may supplement, I think you misunderstood, I was talking about the segmental revenues from sale of scrap. That is something which had grown and helped us to offset that had happened in coal and so on.

Kamlesh Bagmar: So if we see for FY '22 revenue, it was INR471 crores. And on March 2021, it was INR428 crores, while in this year, we have done INR311 crores?

Manobendra Ghoshal: This is not an apple-to-apple comparison. At that point of time, it was including the FSNL revenues also.

Kamlesh Bagmar: No, no, I'm talking just about the stand-alone numbers.

Subrata Sarkar: Just a minute. Just a minute, sir. Like if we can look at in the year '21-'22. We left our traditional business. Our traditional revenue was weeded out so far marketing is concerned. So in the year '22-'23, we grew up, right? So we're up in e-commerce segment. But from there on, your statement is okay, we are on a flatter trajectory.

But there was a growth in the e-commerce segment from 2018-19 to 2022-23 and leaving aside one corona year where the growth was not happening. But if I look at the numbers, sir, so it will be a bit confusing because that time also the legacy marketing, though we left that in the year 2019-20, that turnover kept on adding in our balance sheet in the revenue from operation till 20-2021 and '21-'22. So that was a little bit confusing. But in the overall perspective, we grew in that particular year. Afterwards, we become stagnant after '22-'23.

Bhanu Kumar: I'll just add to that. See, basically, you will have to see only the growth of e-commerce segment because we are now only doing e-commerce business. Marketing is very, very miniscule. In the earlier years, we had several models of trading, which was getting added to the revenue from operations. So if you actually go through the e-commerce growth story, up to '22-'23, we have witnessed an average growth rate of about 10% to 12%.

In one particular year, it was to the tune of more than 15% also. So I was referring to that. Last 2 years have been a little challenging, and there has not been much growth. But going forward, because of these plans that we have talked about just now, we are hopeful that we will be able to, we are ambitious that we should be able to, target that kind of a growth.

Kamlesh Bagmar: Okay. Okay. And lastly, ma'am, over the year, like say, last couple of quarters, we had given some suggestions that on the presentation side, because in presentation, it really doesn't add any value in terms of information because it's just say, like say, the facts are put up from the P&L.

So if we can list out some key factors like say, from the mineral auction, how much contribution was there or like from the scrap sales or any other like say, financial asset side. So if we can give those inputs or data points or operating metrics, then it would be much more helpful to make our view as well and to have a better insight into the company's operations.

Bhanu Kumar: Yes. We do have some small subsegments under the e-commerce portfolio like scrap sale, e-sale, e-procurement, iron ore, coal. So that probably that kind of thing we can include in our presentation. But we'll not be able to tell you as to how much is coming from coal, from forest or from properties or from each of those subsegments. We have broadly 5 subsegments under the e-commerce portfolio. So that we will probably be able to incorporate in our presentation.

Subrata Sarkar: Yes. I would like to add what madam told, actually, what is happening over here. So we are depending upon, as earlier also told on the holistic solution, overall solution because you see the trends cannot be get out of that particular thing. So sometimes that basically, it's a client-driven, it is not a product-driven. So generally, in the trading industry, in the e-commerce industry, it is a product-driven. But here, it is a client-driven. If I have got a client, if he has the coal, we will do the coal e-auction. If he has got other minerals, we will do that. So that way the trends is very difficult.

And what we can see like that we lost that coal business of Coal India, coal e-auction, but still able to maintain a flatter trajectory. So that is the, I mean, trend, that is the kind of business that MSTC is in. We are in a platform services, not on basically a commodity type thing. For our own analysis purpose, we do it, but it is very difficult to find out a trend analysis out of that.

So that way it's a very critical type of thing. Anyway, whatever is available with us and is available as per in the financial statement, we will try to make it more elaborate as suggested, sir. We feel that we have just got the filler. We will try to get more information for your analysis.

Kamlesh Bagmar: But whatever ma'am is telling, at least if you can provide that, something is better than nothing.

Bhanu Kumar: Yes, sure. We will.

Subrata Sarkar: We will try.

Manobendra Ghoshal: We will try on that.

Moderator: We have a follow-up question from the line of Vinay Nadkarni from Hathway Investment.

- Vinay Nadkarni:** Yes. Just wanted to know what was it because this year, there was nothing coming in from coal auctions, I presume, the revenues. So what was the contribution of coal auctions in the previous year? And therefore, can we just forecast what would be the income coming from coal auctions in the FY '26?
- Bhanu Kumar:** Not that, that we didn't do coal auctions at all because in the last quarter, we did get back the business from Coal India. And apart from that, we are also doing coal auctions for Meghalaya Government and also for some of the other utilities in the country like Orissa Power and Coal Company. And we are also doing for Singareni Collieries.
- So those are, of course, very small in comparison to the Coal India auctions. We have got back that. So it should be in the range of about, may be I can't put a number to it because it is totally depending on the number of events that will be carried out in a month. So...
- Vinay Nadkarni:** Can you tell me what was the contribution of Coal India auctions in, say, FY '24 last year, if I can get a fair idea?
- Subrata Sarkar:** Hardly any percentage because we have got a total revenue of around INR270 crores plus from this e-commerce. And as we have got the business back in the last quarter, so it can be in the range of 4% to 5%.
- Vinay Nadkarni:** I'm asking for F '24, the previous year.
- Subrata Sarkar:** Last year, it may be around maximum 10%.
- Bhanu Kumar:** About 10%. 10%.
- Manobendra Ghoshal:** 10% to 12%.
- Bhanu Kumar:** 10% is the coal segment contribution to the overall e-commerce revenue.
- Vinay Nadkarni:** Of Coal India specifically?
- Bhanu Kumar:** Not Coal India, total coal which include other clients also.
- Moderator:** We take the next question from the line of Rakesh, an investor.
- Rakesh:** Sir, this is a buildup on a question that was just asked by another person. So regarding Coal India, if I remember it right, Coal India has allowed MSTC to auction around 40% of the coal that it produces.
- Bhanu Kumar:** So actually, this is a policy-driven thing. See, they do have to allocate a lot of their coal mines on the long linkage policy, right? So whatever is not there, whatever is allowed as per the policy for commercial sale, that is only auctioned through the MSTC's platform. So that keeps changing. Earlier, it was just 10%, then it was increased to 15% to 20%. So it changes from time to time depending on the production of Coal India.
- Rakesh:** Okay. So which are the other organizations that auction coal for Coal India?
- Bhanu Kumar:** Mjunction is the other service provider. There are only 2 service providers for Coal India.

- Rakesh:** Okay. So whatever coal is auctioned by Coal India is either through MSTC or through mjunction?
- Bhanu Kumar:** Absolutely. And most of it is given on long-term linkage policies.
- Rakesh:** Yes, ma'am. That's I understand.
- Bhanu Kumar:** And those are sector-specific.
- Moderator:** As there are no further questions, I will now hand the conference over to the management for their closing comments.
- Manobendra Ghoshal:** At the end, I would like to thank all our esteemed investors who have taken the time out to give us the feedback. When you ask these questions, it also helps us to rethink as to what we are doing right and what we are doing wrong. So please do keep reminding us of how to improve our performance and that is always act as a guidance to run your company better. Thank you very much.
- Subrata Sarkar:** Thank you.
- Bhanu Kumar:** Thank you, all.
- Moderator:** Thank you. On behalf of Equirus Securities Private Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.
- Safe Harbour:** The transcript for the Investors' Call has been made for purposes of compliances under SEBI (Listing and Disclosure Requirements) Regulations, 2015 For the transcript, best efforts have been made, while editing translated version of voice file for grammatical, punctuation formatting, others etc., that it should not result any edit to the content or discussion. The audio recording of transcript is available at website of the company, viz., [www.https://www.mstcindia.co.in/.com](https://www.mstcindia.co.in/.com). In case of discrepancy, the audio recordings available at website of the company shall prevail.
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