MSTC/CS/SE/760

20th August, 2026

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

2. The Manager, Listing Department
   National Stock Exchange of India Limited
   Exchange Plaza, BandraKurla 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, 14th August, 2026 at 11:30 AM. 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

Digitally signed by Ajay Kumar Rai
Date: 2026.08.20 11:34:20 +05'30'

(Ajay Kumar Rai)
Company Secretary & Compliance Officer

Encl: as above

"MSTC Limited Q1 FY'27 Earnings Conference Call"

August 14, 2026

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 day and welcome to MSTC Limited Q1 FY27 Earnings Call.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing "*" then "0" on your touchtone phone. Please note that this conference has been recorded.

I now hand the conference over to Mr. Deep Modi from Equirus Securities Pvt. Ltd. Thank you and over to you, sir.

Deep Modi: Good morning, everyone. On behalf of Equirus Securities, I welcome you all to Q1 FY27 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 (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 Q&A. I now hand over to Mr. Manobendra Ghoshal. Over to you, sir. Thank you.

Manobendra Ghoshal: Thank you. Good morning, Deep and all our esteemed stakeholders. A very warm welcome to all of you to MSTC's Q1 FY27 investor call.

I take great pleasure in being able to report to you that your company has been able to maintain the momentum gained in FY26 and has returned a sterling Q1 performance on multiple metrics.

Revenue from operations has been Rs. 94.25 crores, which is a nearly 22% year-on-year increase over the corresponding period last year. Riding on the highest ever Q1 e-commerce revenue of Rs. 89.49 crores, this is the highest in the Q1 since your company was listed in 2019 March. EBITDA percentage of total income was 69.05%, also nearly 3% higher than the corresponding period of FY26. This drove the highest ever Q1 PBT and PAT since listing. So, all that is something to look forward to and over all this time, we have been systematically also identifying our strengths, the areas we should expand in, the new possibilities to follow and explore aggressively and what to exit from.

We had taken a decision in FY26 to completely exit from the trading and marketing segment and have seamlessly recovered our dues on the 110% BG model, closing the chapter on this legacy segment in this quarter.

With this, we have moved forward from being a canalizing agency trading house that MSTC primarily started out as, to being a digital solutions provider. We have simultaneously looked to identify suitable opportunities which can be capitalized on by leveraging MSTC's domain expertise developed over the last 23 plus years through e-commerce application development.

So, as a part of that development of the electronic trading platform for EPR certificates is now complete along with all the integrations necessary for immediate operationalization. We are now awaiting the go ahead for being able to start operating this portal for trading and settlement of EPR certificates from all notified sectors by the stakeholders.

Similarly, our team has been working towards developing MSTC's travel portal at mstcsmarttravel.in. This is under operationalization for the B2B segment with B2C rollout planned shortly. Our DC will fill us in more about this during her brief.

Developing a trade receivables discounting system, a treads platform has also been taken up as one of the areas showing commercial viability. We have been steadily working towards putting in place a robust application, requisite financial services integration and necessary security protocols while also approaching the Reserve Bank of India for necessary approvals.

This project is also at an advanced stage and subject to regulatory approvals being obtained, we should be able to operationalize this sometime during this FY27.

Apart from strengthening your company's credentials in the digitalization space, this particular initiative will also help in furthering the push being given by the government for enabling the MSME sector to flourish.

So, as a corporate entity over the last two financial years, we have tried to identify our strengths, the areas where we found that business models were no longer in sync with our expertise and those new possibilities where our presence and know-how available within the organization could be best deployed for developing opportunities showing good commercial outlook.

We also took a decision to remain an asset-light company. So, apart from scaling up existing e-commerce business by aggressively expanding our client footprint, we decided to venture into a limited number of new verticals, stabilize those, scale them up and before thinking of expanding further. That is the model that we have been following.

I am also very glad to report that operations of our joint venture with M/S Mahindra, MMRPL has picked up significant momentum over the last three to four quarters. For the first time in quite a few number of sequential reporting periods, the venture has shown a positive PAT. This has largely been driven by significantly higher feedstock inflows which in turn are predicated upon the government's push towards extended producer responsibility norms cutting in for automobile manufacturers.

This caused a number of the end of life vehicles which were up till now going to the grey market and therefore, resulting in uncontrolled and unethical scrapping to be diverted to RVSFs. Higher incentives provided for new car buyers who trade in their old vehicles through discounts and rebates by the OEMs and the government have helped this flow positively. And we expect this trend to strengthen and continue, driving towards a healthy financial outlook for this company.

I will now request my Director Commercial to give us a brief overview of business highlights for this Q1 followed by Director Finance to give us a drill down on the financials. Over to you ma'am.

Bhanu Kumar: Thank you. Good morning, everybody.

The highlights of the business for the 1st Quarter of this financial year has been that we have continued our services for the sale of minor and major mineral blocks all across the country and being the thrust being given for the critical minerals we have had significant number of events for allocation of critical mineral blocks also.

Then the exploration license blocks have also been successfully allocated in the 7th branch of critical mineral options. We have entered into an agreement with Tamil Nadu Forest Department. We had done this exercise about 4-5 years back where we sold some Red sandalwood in the past but again this time also we have entered into an agreement and this transaction will be taking place shortly for sale of about 100 tons of Red sandalwood that is available in the state but this will be through an international competitive bidding.

Then we have also we had informed the stakeholders last time that we have won the contract with Coal India for coal linkage auctions. So, the first batch of auctions for the same is underway right now and it is expected to be extended to other sectors. This is the NRS linkage then it will be sector wise. Sectors wise also we will be doing shortly.

We have entered into a very niche kind of auction for Rashtriya Ispat Nigam Limited. They have lot of process scrap, scrap that is generated during the steel making process which has to be cleared in a very time bound manner and the parameters for sale and the methodology of sale are slightly different from the normal scrap auction. So, we have had quite a good transaction with them and the sale is going on right now and we will be expanding the market for this kind of product shortly.

Another first that we have done in this quarter is the auction for liquor licenses for the government of Karnataka. We had done this exercise for Government of Rajasthan in the past but right now the other states are very slow in adopting this model and Karnataka Government has this time come up with this plan for conducting auctions for liquor licenses. We have also been very steadily doing the land parcel auctions for Telangana state both for (HMD) Hyderabad

Metropolitan Development Authority and Telangana Industrial Infrastructure Corporation which gives us steady business and steady remuneration.

Commercial coal block auctions are also continuing and this is the 15th round. It has been going on for about almost 6-7 years now and for the first time we have done another auction for selection of charge point operators for Kerala State Electricity Board. Now this is a model that probably can be replicated by other states who will be approaching the other states for this kind of a model for allocation and selection of charge point operators given the impetus that is being given for EVs and other such electric vehicles. So, that is the highlight for '26-27.

Now the projects that are currently underway which is likely to bring in future revenue in the near future is as already highlighted by our CMD. The travel portal is ready. As of now we are booking tickets for our own corporate travel and we have approached other sister PSUs for using this portal. Simultaneously we are applying to IATA for an empanelment. We have got the empanelment with some airline operators.

So, this process is likely to be completed shortly and after that once we have the IATA clearances we will be able to enter the B2C segment and there we see some revenues coming up after that. So, that is one area that we have very recently entered into.

Then you might have learnt about the government's intention to set up coal and mineral exchanges. So, MSTC is also exploring various possibilities and the ways and methodologies for establishing its own exchanges. So, we are working towards that. The initial discussion with certain stakeholders is already there. So, you will be updated about the progress in due course.

As CMD had highlighted the TReDS platform is almost ready and we are in discussion with RBI for the necessary clearances. So far the feedback that we have received from RBI is quite encouraging and we hope that we are able to establish this TReDS platform in the next few months.

EPR ATP electronic portal for EPR certificate exchange that is also ready for CPCB. We are just waiting for the government now to formalize it so that the transactions can take place. As already intimated in the past few concalls this is as of now is going to be opened only for 5 sectors but slowly it will expand to about 15 sectors.

So, once this exchange is operational more and more sectors will be added to this. So, this is as far as the plan for the near future is concerned.

I will now hand it over to our Director Finance for the financials.

Subrata Sarkar: So, very good morning to our stakeholders. So, just now our CMD sir and Director Commercial ma'am has briefed about the business highlights. So, going further to that I will just want to elaborate on the financial figures.

So, if we can see the highlights:

The first highlight is that the last segment of the marketing that we were doing, we were doing the business under 110% BG back model that has been discontinued and with that the revenue has dropped to zero and we have stopped the segmental reporting also from this quarter because we have now only one segment that is e-commerce revenue.

E-commerce revenue has shown a significant growth to Rs. 89.49 crores as compared to Rs. 70.03 crores last year and other operating revenue also is Rs. 28.51 crores as compared to last year's Rs. 23.27 crores a growth of 22.52% and expenses has come to Rs. 36.51 crores as compared to Rs. 31.78 crores. It's a very normal growth going by the increase in the scale of operation and of course, pan India operations has increased and we have a corporate office now at New Delhi which is looking after the better business prospects and depreciation almost remaining on the same part Rs. 2.25 crores to Rs. 2.96 crores and tax accordingly from Rs. 15.31 crores to Rs. 20.41 crores.

So, EBITDA stands at Rs. 81.49 crores as compared to Rs. 61.88 crores, a growth of around 32% and PBT stands at Rs. 78.53 crores as compared to Rs. 59.63 crores growth of again 31.70% because almost coterminous with the EBITDA part and PAT has also shown a growth of 31.14% from Rs. 44.32 crores to Rs. 58.12 crores with that EPS stands at Rs. 8.26 crores as compared to Rs. 6.30 crores.

And on the consolidated form, this is the first time after 4 years that our joint venture has shown a profit. So, accordingly a very little token profit but it has shown a positive PBT.

So, we have a share of around Rs. 10 lakh coming out of that with that profit before tax as a group has come to Rs. 78.63 crores and profit after tax is Rs. 58.22 crores and EPS is Rs. 8.27 crores as compared to Rs. 6.01 crores that is the growth of around 37.51%.

And if we can go more ahead there to the P&L part, so we can see that revenue from operation is Rs. 94.25 crores as compared to Rs. 77.43 crores and other income has grown from Rs. 16.23 crores to Rs. 23.75 crores and employee benefit expense has gone up to Rs. 27.50 crores from Rs. 23.25 crores, depreciation has gone up from Rs. 2.25 crores to Rs. 2.96 crores and other expenses has gone up from Rs. 8.53 crores to Rs. 9.01 crores and tax expenses of course Rs. 15.31 crores to Rs. 20.41 crores and PAT is around Rs. 58.12 crores from Rs. 44.32 crores.

So, if you can look at the highlight why we have trying to check up our income and scale up our operation but it has not much bearing on our overhead part because we have tried to check up of revenue by around 22% and our total expenses has increased by 16%. So, it is generally a normal increase due to increase in the salaries and wages, normal salary wages and inflationary pressure. So, it hardly had any impact on this scalability of the operation. So, this is the highlights of this quarter.

With that I hand over the mic for question-and-answer session.

Moderator: Thank you very much. We will now begin the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Shilpa from Lotus Wealth. Please go ahead.

Shilpa: Hello, thank you for taking my question. So, my first question is that in APR trading, the market size will be $2 billion by 2030 while CPCB gets 4% transaction fees of approx. Rs. 800 crores. What will our revenue share be in it? I will ask my second question later.

Bhanu Kumar: So, if you have seen the EOI where it is very clearly mentioned as to 4% will be the charges of CPCB. It is also very clearly mentioned what the exchange operator will get. I think the bifurcation is clear . I will have to go back to the EOI and I don't recall as of now just like that. It's very clearly mentioned in the EOI. So, you will get the figures from there.

Shilpa: Okay, ma'am. And our cash and cash equivalent is around Rs. 13 crores. So, that will be used for CAPEX or for dividends?

Subrata Sarkar: What is ma'am? Can you repeat the question?

Shilpa: Yes, sure. I am saying that our cash and cash equivalent balance is around Rs. 13 crores.

Subrata Sarkar: Cash and cash equivalent balance? We have not published the balance sheet. It is the P&L only for the Quarter 1?

Shilpa: No, sir. I am talking about last year, FY26.

Subrata Sarkar: That already we have replied to, I think. So, now we are concerned about the Quarter 1 call.

Manobendra Ghoshal: Can you please ask questions specifically regarding Quarter 1?

Shilpa: No, it's okay. Thank you. If there's anything, I will take it offline.

Moderator: Thank you. The next question is from the line of Saurabh Ginodia from SMIFS Limited. Please go ahead.

Saurabh Ginodia: Yes, thank you. And a very good morning. Sir, first, congratulations to the management team on delivering 20% year-on-year growth on the e-commerce vertical over the last two quarters.

Now, sir, I have two or three questions. I will ask them one by one. What are the key drivers behind this growth and do you see this 20% YoY growth sustaining in the next three quarters?

Bhanu Kumar: So, regarding the 20% growth that you have seen compared to the last year's Quarter 1, it is mainly due to the higher number of the mineral blocks and the minerals that we are selling. Because of that, the numbers have increased. And of course, our main income is coming from scrap sales. So, we have had some good run with the sale of plants all over the country. So, that is a major contributor as far as the e-commerce revenue is concerned.

Regarding the second part of your question, whether it is sustainable, yes. As far as the mineral sale is concerned, it is sustainable. But scrap has always been a cyclical thing. The steel sector as such is very cyclical. So, the rates keep going up and down. And the volume of scrap, that also keeps changing from time to time. I mean, every time it is not necessary that plants or some big-ticket sale will come up. But on an average scale, we have seen that most of our income, almost about 50% to 55% of our e-commerce revenue is coming from scrap sale over the past many years. So, that is somewhat sustainable. So, given a combination, yes, I do not see it going down, but I do not know whether it will keep going up at 20%-25%.

Secondly, as we had highlighted, we are also venturing into 2-3 new areas, which when it takes up, definitely the revenues will come in.

Manobendra Ghoshal: If I may supplement here, we have been saying for the past few investor calls that what we have been aiming at to sustain a double-digit growth. So, whether that translates into what was the growth over the corresponding period last year or it would be more or less, the average would be a double-digit growth, which we would be trying to maintain. And that would kind of equalize over a longer period. Because there would certainly be some periods where the growth would be less, some periods where the growth would be more. So, our aim is to maintain a double-digit number.

Saurabh Ginodia: Okay. Thank you for the elaborate answer. Sir, my second question is on the TReDS platform. Can you help us understand the proposed business model for this? Specifically, how will MSTC generate revenue from the platform? Will it be transaction charges, subscription charges, or will it be a combination? And what kind of scale-up of transaction volume would be required for this business to be meaningful?

Subrata Sarkar: So, basically, let me answer one by one. So, first of all, as CMD has indicated that we are waiting for the regulatory approvals. And the business model is as simple as it can be.

Like it is a discounting platform, then of course, the transaction fee will be the main source of revenue out of this. And we are primarily focusing on this transaction fee and other charges will depend upon the clientele base and depending upon the traffic that we receive from this. But as of now, our primary focus will be to get transaction fee out of this, number one.

And number two, so far scalability is concerned, it will depend upon the ecosystem. And the ecosystem seems to be very positive, because government has given a big thrust for the MSME financing. So, we are quite positive that there will be a good amount of traffic and traction, of course, once the platform stabilizes. Because we are targeting first couple of years for stabilizing the platform, which has happened to other platforms also.

Saurabh Ginodia: But sir, do you expect any meaningful revenue coming from this in this financial year or this will be coming in the next financial year?

Subrata Sarkar: It is very, very much contingent, because when we get the RBI clearance, that is very important. Once we get RBI clearance, afterwards everything, every doable, actionable will start. So, until unless we get RBI approval or the other necessary regulatory clearances, we are unable to highlight how much revenue we can get this year. So, it is very difficult to project at this moment. But the way forward that we have told you that is the plan from the management side.

Saurabh Ginodia: Understood. Sir, any timeline expected from when we can expect this approval from the RBI?

Subrata Sarkar: It is very difficult because RBI is a regulator, who can only decide, we cannot decide.

Manobendra Ghoshal: So, we are hoping that this should happen in this financial year, we should be able to hopefully get the approval and then operationalize it. So, our internal target is hopefully FY27, within FY27.

Saurabh Ginodia: Understood. So, my third question is on the ETP for the ERP certification, you indicated that the platform has been developed on the behalf of the CPCB and is now awaiting a go ahead for the operation. And the same commentary was heard even in the last call. So, can you just help us understand what is holding up for this approval and when do we expect to get the go ahead for the commercial operation?

Manobendra Ghoshal: At that point of time, we were still in the process of finishing the integrations and getting our security testing and so on in place, which has now been done, it is now ready to roll. And obviously, I mean to start operating an exchange, it will have to be after a specific notification is issued by the government for which we are waiting, which should hopefully happen.

Bhanu Kumar: Anytime it is expected to happen. These are policy decisions actually, so we cannot predict as to when the government will actually issue the notification.

Saurabh Ginodia: Okay, answers are very good.

Moderator: Sorry to interrupt Sourav, please rejoin the queue for the follow-up question. Ladies and gentlemen, to ensure that every participant gets an opportunity, please restrict your questions to two per participant. The next question is from the line of Surabhi from NV Alpha, please go ahead.

Surabhi: Hi, thanks for the opportunity. So, my first question is currently, some of the large recyclers are transferring EPR certificates directly to the brand owners. So, once the exchange is live, will this transfer volume also be done through the platform? And has CPCB committed a minimum amount of volume for the platform for the first couple of years?

Bhanu Kumar: See, the very idea of government is to regulate these one-to-one kinds of transactions and some kind of market-driven transactions should take place. I mean, even the value of these certificates should be market-driven, right? So, that is the idea of the government and that is why the government will actually look into all the aspects of such transactions before giving a formal go-ahead for launching this portal. Now, once it comes into picture, all the transactions will have to be routed through this exchange.

Surabhi: And has, have they committed a minimum amount of volume for the portal for the first couple of years, so that your revenue is ensured?

Bhanu Kumar: Not really, but they have given some kind of an indication in the EOI. So, I think I would request that you can go to the EOI.

Manobendra Ghoshal: That is the market-driven process.

Bhanu Kumar: See, whatever is happening in the grey market or one-to-one transactions, the government may not know the actual value of it, right? Once it comes into the exchange, we will actually know as to what is the value and there is no minimum guarantee as such. But government will ensure that these transactions happen through the exchange.

Surabhi: Got it. And another question with regards to the JVs with Mahindra what kind of volume have we seen in terms of the number of vehicles that have been now routed through this? If you could just give us some color on that.

Subrata Sarkar: So, so far, volumes have, what we can say that volumes are picking up, but the idea is like that, how much you realize per vehicle, that is more important rather than the traction. But of course, more and more traction is expected in the coming year because of the government policies and of course, this EPR is also related to this. Once that extended producer's responsibility thing has already is in place and it is in the swing. So, obviously, they will, these vehicle owners will go for more and more for recycling. And of course, the state government incentives will play. So, more and more state governments are now coming up with the incentives. So, we are hopeful that the traction will increase. And of course, the money terms, it can be profitable.

Surabhi: Got it.

Manobendra Ghoshal: It has already become profitable in this quarter.

Surabhi: Got it. This is the last question. This is the last question from my end. IEX is also looking to start a coal exchange. Are our volumes going to be affected by this or if you could just throw some color on that as well.

Bhanu Kumar: Yes, actually, there are other entities also who are planning to launch their own coal exchanges. So, there will be multiple exchanges in the Gazette notification itself. It's very clearly mentioned that there will be multiple exchanges. So, basically, the transactions that actually happen on the exchanges, the volumes that actually get through those platforms, that will determine as to how much volume is coming to each of these exchanges. Definitely, we see an advantage in the sense that we have understood, and we have been in this sector for quite some time. So, the credibility associated with this exchange, I think, is a little much more compared to other platforms.

So, as of now, we are just examining as to what can be the thing. There will be multiple platforms and we have to compete with such platforms. That is very clear. But then the volumes are quite high. So, we expect that there will be enough for multiple platforms.

Manobendra Ghoshal: Got it. That is the feasibility which we are examining right now.

Surabhi: Just to close the loop, how much revenue are we generating from coal alone on the e-commerce platform currently?

Bhanu Kumar: Currently, we don't have that kind of segmental revenue figures because it keeps changing. Coal India, from time to time, they have multiple auctioneers and some volumes go to other auctions. Government policies also keep changing. But then it is something that is always in our focus because it is a very important sector and more than the revenue that we earn, the credibility we bring into the entire system and the ecosystem is more important for the Government of India.

Surabhi: Got it. Is it possible to just squeeze in one last question, please? So, we have applied for the IATA designation with respect to the LTC travel. Are we also now looking to cater a different segment and how is the monetization going to work in B2B and B2C in the travel segment? And if you could just give us some timeline on that.

Bhanu Kumar: See, as of now, as I said, we have just launched the B2B segment. This is basically for the B2B segment. Actually, we saw an opportunity in the government travel sector in the sense that Balmer Lawrie was probably the largest and they were probably doing almost (+90%) of the volume. So, for the government and PSUs, it is governed by certain DPE guidelines and government directives from time to time. So, the revenue stream for that segment will be quite different from what we can do for the private sector and the individual B2C segment. So, we are examining all those things and for entering into B2C and other kind of clientele, we need to have IATA empanelment. So, that is the process that is going on.

And the volumes, as we said, we will be competing with big players who are already established in the market. So, it will take some time for good revenue to flow in this particular venture. But nevertheless, we saw an opportunity in the government sector and that is the reason we are going ahead with it. Secondly, we had quite a good of confidence in the sense that the cost associated in establishing such platforms as far as MSTC is concerned was not much because we already had the infrastructure ready for this kind of a new business venture. So, that is the reason we have ventured into this area.

But it will take time. Stabilizing this sector and doing transactions is going to take some time. It is a slow and steady process.

Manobendra Ghoshal: Revenue stream is a selection fee-based thing in this business.

Surabhi: Got it. Thank you so much. Thank you.

Moderator: Thank you. The next question is from the line of Kumar Saurabh from Scientific Investing. Please go ahead.

Kumar Saurabh: Sir, congratulations on a great set of numbers. And if I look at numbers of the last 8 or 10 quarters before March, we were somewhere in Rs. 65 crores to Rs. 90 crore revenue range and 55 to 60% EBITDA margin. And it is heartening to see double digit growth continuing from last two quarters and guiding also that the intent is to have this double digit. And our margins have also increased and beyond 60%, like 61%-64%. So, given now there is a push for double digit growth. Can we expect this (+60%) margins to continue with the operating leverage of our business?

Subrata Sarkar: So, just now, during my explanation to the financial that I was explaining. So, one is the revenue and another is the expenses. So, we are trying to have our overheads in control.

But of course, time and again, what we were telling, again, for the past concall, if it goes beyond certain scalable level, obviously, the margins will get increased because to get a higher volume and everything. So, some kind of pressure will be on the margins also. So, although the endeavor will be to have an average margin in the range of these, but of course, in a higher volume, it may get little bit steep.

Manobendra Ghoshal: And if I may add, a word of caution is always pertinent because growth of a very high level is obviously not a sustainable thing over continuous period. So, there will always be periods of higher growth and then periods of correspondingly lower growth. So, that averages in the long run.

Kumar Saurabh: Got it, sir. And sir, second question is, we are trying to get a lot of new businesses like auctioning of liquor and all of this. My question is, prior to coming to us, where these clients used to do such auction? That is question number one. And are we competing with multiple other peers for the same? And what is the level of stickiness once these parties come to us? Is it like a repeatable revenue going forward or they come one year, they don't come one year? The reason I am asking is also because as you told that there could be multiple coal auctioning platform and all.

So, we have to increase our client base and revenue base and ensure it is sticky. So, if you can give a overall business color to it.

Bhanu Kumar: Yes, see, I think there are two things that are quite separate. As far as coal is concerned, it is a very big sector and huge, I mean, lakhs of tons of coal gets transacted on almost a daily basis. So, that is why the government would always want to have more than one platform. But as far as this liquor licenses or any such new small ventures are concerned, this basically depends on the license being valid for how much period. Say, if a license is allocated today, if it is valid for three years, then obviously, no further allocation is going to or such event is going to happen for the next three years. But what we are trying to say is this is a completely new area and it has been started by one state government.

So, there is ample scope to go to other states with this kind of a success model and tell them that this is the revenue that they are able to mop up and you can probably replicate that model and we will be the service provider for them.

Regarding competition in this area is concerned, the government is more interested in credibility of the process than having multiple or going for a L1 basis. So, as far as Karnataka liquor auction thing is concerned, they were just in discussions and directly we approached them and they were more than happy to take our services based on our experience with Rajasthan.

So, these things are again policy driven. Sometimes the licenses are auctioned, sometimes it is given on lottery basis. There are many models in fact.

Manobendra Ghoshal: Yes, when you asked about the question of how to ensure stickiness. So, it is basically our process transparency, process integrity and the robustness of our system which ensures stickiness. That is why a client would normally come back to us.

Kumar Saurabh: Got. And my last question is, given any business, if there is a higher revenue concentration to a particular geography or product or client it is always a risk. So, given we are more into coal auctions and scrape and we are actively looking for new businesses now coming with this EPR, then all the new other verticals, do you have a target in mind like 4-5 years down the line, you don't want a single vertical to be x% of your revenue? Have we created any kind of such aspirational target to de-risk the business?

Bhanu Kumar: First of all, you need to understand that when I said more than 50%-55% of our revenue is coming from scrap doesn't mean that it is coming from one single seller. It is probably coming from 3000 sellers. So, even if one or two of our sellers are not really keen on doing transactions with us, we already have another set of clients and who are already onboarded.

Now, the focus, I think in the last few couple of con-calls, we have been emphasizing that so far in the past many years, we were, our focus was the government business. But now that we have been able to give good services to the private sector and they have been continuing with our services for quite many years now. So, we are interested in expanding the private sector business for scrap and other commodities also.

So, I think in the past also we have very clearly mentioned that a lot of these big entities like Tata, Reliance, Vedanta and ArcelorMittal, they are doing their scrap as well as iron ore auctions, some coal auctions. These are also being transacted through our platform. So, our interest and the way we plan ahead is to expand this private sector clientele, so that the growth and whatever is the plan for the near future is accomplished.

Kumar Saurabh: Great. That was very detailed. Thank you, sir. Thank you, ma'am. And wish you all the best. I will come back in with you.

Moderator: Thank you. The next question is from the line of Vinayak Mohta from Bluerock Capital.

Vinayak Mohta: Hi, team. Congrats on the great set of numbers. I just had a couple of questions. So, first up on the travel portal, right? Two-part question there. So, first thing is, when you move into the B2C model, will it be something similar to what the current OTAs are maybe specific on a particular mode of travel or hotels? But will it be similar to that? And secondly, what kind of revenues do you see being generated on the B2B side, the corporate side that you are catering to right now?

Manobendra Ghoshal: I will take your second question first. So, Vinayak, as far as what would be the revenue generated since we are right at the beginning to speculate something would not be fair. Yes, we have obviously been able to project a certain revenue stream flowing out of it, which is why we have got into this business. So, we will update you over the next few quarters once it gets operationalized and moving. Now, as far as the first question is concerned regarding similarity, I will ask Director Commercial to comment a little on that.

Bhanu Kumar: Yes. See, there are a lot of platforms already and even the airlines have their own app for booking of flights. So, our initial focus is for the flight bookings only. Thereafter, slowly we would be expanding it to other allied services like hotels and last-mile connectivities and other things, packages and all those things. If you have seen Balmer Lawrie, who is already into this business for quite many years, something similar is in the offering in our platform also. But then we would want to give a better user experience and probably at slightly lower charges. So, as of now the charges also we have not finalized or done anything because it depends totally on the volumes and the kind of clientele that we are able to onboard. But as far as the government travel is concerned, there will be a lot of guidelines that will be directing us as to how much revenues we can expect from the government sector. So, as CMD has said, we can probably address these queries in the next few quarters.

Vinayak Mohta: Understood. On the second question, focusing on the EPR side, a previous participant did indicate towards $2 billion worth of volume on which the turnover will be around 4%. So, our share in that is going to be broadly 50% of the sale.

So, on some rough calculation basis, we get to a revenue number of around Rs. 400 crores. So, just wanted your sense and your understanding on this number because there is a lot of confusion in the market regarding the potential revenues that this could generate a little further out to 2030-2031. And a follow-up question to that, is it fair?

Bhanu Kumar: It's a little premature to talk on those numbers because these are all projected for 5 years hence. How many of these transactions are actually going to come through this platform? How much the government will be enforced that all the transactions happen through this platform? These are things that can be answered only when the transactions start happening.

Manobendra Ghoshal: So, it's a little premature. So, let us not speculate about what the numbers can be based on something which figures are not really verifiable figures at this stage. So, this is something that we will have to wait and see.

Bhanu Kumar: As on date, everything is happening completely in the dark. Nobody knows as to how many certificates are getting transacted, what is the value of the certificates, how it is operationalized, how it is authenticated. Nothing is known about any of these things. So, once it gets operationalized through a dedicated platform, then the numbers can be over a period of time some speculation is possible.

Manobendra Ghoshal: At this stage, it is not fair to speculate.

Vinayak Mohta: Understood. And just a small follow-up on this, is it fair to, are we the only people who have applied for these licenses or is there any other exchange that has done the same as well?

Bhanu Kumar: As far as APR is concerned, this is going to be the only exchange. At this point of time, yes.

Vinayak Mohta: Okay. Perfect. Thank you. Thank you so much. All the best.

Moderator: Thank you. The next question is from the line of Vinay Nadkarni from Hathway Investments Pvt. Ltd. Please go ahead.

Vinay Nadkarni: Yes. Thank you for the opportunity and congrats on some really good set of numbers. Just wanted a quick two questions. One is on your current revenue of Rs. 94 crores, 50%-55% is from scrap sales. Out of the balance 40%-45%, what would be the top 2-3 chunky numbers? Which sector would they be coming from?

Bhanu Kumar: The mineral sales, of course, the minerals that we are transacting, the mineral blocks, coal, this will be a substantial part of it. Then there are other platform services, then development of software, dedicated solutions for clients. Those are other small, small activities that we do under the e-commerce revenue stream.

Manobendra Ghoshal: Multiple different sectors which get aggregated too.

Vinay Nadkarni: Procurement services. Then what comes under other income for you?

Subrata Sarkar: Other income is miscellaneously the treasury income and other some bank interest. These are the miscellaneous things.

Vinay Nadkarni: So, it doesn't take into account any of your block allocation revenues at all?

Subrata Sarkar: No, not at all. We do not earn the revenues on the top.

Vinay Nadkarni: Yes. One last thing, all your auction or e-commerce, is this revenue based on transactions done on your portal or is it on the value done?

Bhanu Kumar: See, both the models are there. For certain products, it is the percentage of the transaction done and for certain things, it is based on the events only. And as I said, we are also into some kind of software development for our clients customized solutions. So, there again, it is a development charge and then AMCs. So, depending on the scope of work, these things vary.

Manobendra Ghoshal: We have a mixture of all kinds of revenue models.

Vinay Nadkarni: Okay. So, so there is no, the reason is I was just trying to understand how this lumpiness can be kind of averaged out as you go ahead. Will it always be lumpy in terms of your business or will there be some sustained regular--

Bhanu Kumar: As we said, the scrap businesses contributing majorly into our e-commerce revenue stream and that has been showing steady in the last more than two decades. So, that is a focus area, and we expect that it will remain so. And as far as other products are concerned, we are just going on adding to the new products. Even if there are some losses in certain products or certain sectors, it is amply compensated by entering into newer areas, newer sectors like property auctions and all. This is a sector that we ventured into just in the last three-four years. But then we have seen some traction happening only now.

Vinay Nadkarni: Okay. Thank you. Thank you very much.

Moderator: Thank you. The next question is from the line of Amit from Resonance. Please go ahead.

Amit: Good afternoon, everybody. My question is regarding the travel portal. MRSTC would be launching a travel booking portal. So, I want to know, would you be doing it in collaboration with any other company, maybe like ITDC or MakeMyTrip or likewise? And when do we expect it to be operational?

Bhanu Kumar: See, as we said, the B2B segment is ready and we are using it internally and maybe for our other PSUs. To start with, we have partnered with EaseMyTrip because they have been in this sector for quite some time because they are a great aggregator and they were ready to partner with us. But going forward, we will be doing all these things on our own because the infrastructure is already available with us, software upgradation and the skills for is already available in-house. So, we will be operating it completely ourselves. We are not going to be partnering with not many. As and when the business flows, we will see what is the requirement and accordingly decide.

Amit: Okay, fine. And when would we expect it to go operational?

Bhanu Kumar: See, as I said, it is operational as far as the government sector is concerned. The platform is ready but we are waiting for the IATA empanelment. Without that, the aggregator kind of operations cannot be done for the B2B segment.

Moderator: Thank you. Ladies and gentlemen, to ensure that every participant gets an opportunity, please restrict your question to one per participant. The next question is on the line of Manav Bansal from Multiple Wealth Management Service Pvt. Ltd. Please go ahead.

Manav Bansal: Yes, hi, good afternoon. Sir, I wanted to know the gross trading volume for this quarter was around Rs. 23,900 crores. So, can we expect this GTV to continue for the year?

Manobendra Ghoshal: Look, gross trading volume as such is something which also varies a lot about due to the fact that it includes the output out of blocks of minerals, coal and so on and so forth, which is not directly related to the revenue. So, that can go up or down depending on the number of mineral blocks. I mean, that can vary drastically as a result of the number of mineral blocks which may come up at in a particular quarter.

Manav Bansal: Okay, all right. And sir, what is the guidance for the dividend for this year?

Subrata Sarkar: Already declared dividend, it was declared in the Quarter 4 Result, which will be subject to the approval of the shareholders in the ensuing annual general meeting. It is already there in the published in the Quarter 4 result. This year is concerned, it will be guided by the policy of the Government of India, that is a DIPAM. Minimum that is 4% of the net worth or 30% of the PAT, whichever is higher. It is the minimum dividend that a government company has to declare. So, that is guided by that principle.

Manav Bansal: Okay, all right. Just one last thing, sir. This Mahindra JV, the profit that we have drawn in this quarter, can we expect this to continue going forward?

Subrata Sarkar: So, outlook is positive, but we cannot speculate at this moment, but the outlook is very-very much positive.

Manobendra Ghoshal: Going by the trend, we hope that the positive outlook should continue.

Manav Bansal: Okay, all right. Thank you, sir. Thank you and all.

Moderator: Thank you. The next question is from the line of Arjun, an individual investor. Please go ahead.

Arjun: Hi team. Congrats on a great set of numbers. So, couple of questions, right? I think carrying on the IEX announcement. So, my main question is not about what we are going to gain or lose, but my question is structurally, you mentioned that we have experience in auctioning coal blocks and hence we will be chosen. But IEX also has a lot of…

Manobendra Ghoshal: May I correct you? I don't think we said that. We said that we have experience in this sector.

Arjun: Yes, okay. My bad. Let me not generalize it like that. Yes, sorry. So, experience in the sector, but IEX also has a lot of experience running exchanges. So, I want to understand structurally, do we have any advantage against competitor exchanges coming up? And do you see any fall in auction volumes going forward as compared to what we have today, the coal auction volumes because of these exchanges? Just want a broad view on that, sir.

Bhanu Kumar: See, once the exchanges are operational, then obviously the auctions for coal will stop. So, that is why we are also interested in setting up our own exchange and the kind of experience and exposure to that sector is concerned. We expect that a lot many participants will be transacting to our platform. But as of date, we can't tell you what can be the market share, how many exchanges will be there. Now, even IEX, they have just announced, but nothing is there on paper and these companies are still to be incorporated, the stakeholder onboarding, all those things are still going on. So, we are also exploring the various possibilities that are available to us and maybe after a couple of quarters, we can give you some kind of input on these exchanges.

Manobendra Ghoshal: And may I also supplement that with saying that fundamentally the process of selling coal is right now done through the process of auction and long-term linkages. The fact that it would later be done through exchanges as is visualized by the government is only providing a framework for the same process. Fundamentally, it's the same thing. It is just transferring that process into something which is bounded by a certain framework, which is the exchange itself, which is why our experience in that area is there. So, it is undeniable.

Arjun: Perfect. And just as a follow-up to that, so would you say that apart from the overall experience we have, are there any other structural factors that could work to our advantage here that going on in the future, we might have a chance to be the market leader in terms of volumes or would you not like to comment?

Manobendra Ghoshal: We would not like to comment at this stage. I mean, that is why we are evaluating it very thoroughly before taking a call as to how we should go ahead with this.

Arjun: Perfect.

Moderator: Sorry to interrupt you. Please rejoin the queue for the follow-up question. Ladies and gentlemen, due to time constraints, that was the last question. I would now like to hand the conference over to the management for closing comments.

Manobendra Ghoshal: So, once again, thank you for a very lively discussion. We, as I have said earlier also and I reiterate, that these are opportunities where we get to see someone else's viewpoint on what we are doing right and particularly what we are probably not doing as well as we could have. So, please keep those questions coming and we will try our best not only to answer the questions but also to translate those into things which are beneficial for all stakeholders. Thank you very much.

Moderator: Thank you. Thank you. On behalf of MSTC Limited, that concludes the conference. Thank you for joining us and you may now disconnect your line.