



एमएसटीसी लिमिटेड

(भारत सरकार का उपक्रम)

MSTC LIMITED

(A Govt of India Enterprise)

CIN : L27320WB1964GOI026211

e-assuring
INDIA

MSTC/CS/SE/695

19th November, 2025

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 Thursday, 13th November, 2025 at 12:00 Noon. 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 स. 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 Q2 FY26 Earnings Conference Call”

November 13, 2025



MANAGEMENT: **MR. MANOBENDRA GHOSHAL – CHAIRMAN AND
MANAGING DIRECTOR**
MS. BHANU KUMAR – DIRECTOR (COMMERCIAL)
MR. SUBRATA SARKAR – DIRECTOR (FINANCE)
MR. AJAY KUMAR RAI – COMPANY SECRETARY,
MODERATOR: **MR. DEEP MODI – EQUIRUS SECURITIES**



Moderator:

Ladies and gentlemen, good day and welcome to MSTC Limited Q2 FY26 Earnings Conference Call hosted by Equirus Securities Private Limited.

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

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

Deep Modi:

Good afternoon, everyone. On behalf of Equirus Securities, I welcome you all to Q2 FY26 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 the call to Mr. Manobendra Ghoshal. Over to you, sir. Thank you.

Manobendra Ghoshal:

Thank you. Good morning Deep, and good morning and a warm welcome to all our stakeholders for today's conference. Building upon a good start of Q1 of FY26, we have sustained a good revenue trend both on year-on-year as well as on sequential basis for the quarter.

With expenses being on basically predictable and flat trend, the PBT and PAT have also been higher both sequentially and on year-on-year basis. Now despite the fact that there has been a softening of prices in scrap, that trend has continued over quite a few quarters now. The revenue growth has still been led primarily by our flagship e-commerce segment. We have continued the process of consolidation of our business areas and defined our primary thrust areas as e-commerce and the growing area of development of software applications and platforms. In this, we have made some appreciable progress about which our Director Commercial shall update you in greater detail later on.

Now apart from the electronic trading platform for EPR certificates which is now under development, I am also glad to share that MSTC has been selected by the DGFT to establish an online platform for allocation of tariff rate quotas for gold bullion import. We are working on that. We have also been selected by the Government of Chhattisgarh for e-auction of sand mining blocks, the Government of Karnataka for auction of liquor shop licenses etc. Now all of these are testimonials to the robustness and transparency that your company enables for the e-auction process itself. We have signed an MoU with the Syama Prasad Mookerjee Port, Kolkata for providing e-commerce services for the leasing of port property for a period of 30 years.

As I had informed our stakeholders during the last conference, we have been developing the software application for the KPKB, the Kendriya Police Kalyan Bhandar which is now in its final delivery stage. Similarly, we have identified a few other specific opportunities which we believe shall drive our growth over the next 2 to 3 fiscals and this shall strengthen and diversify our revenue streams also going forward.

On the part of our joint venture with M/s Mahindra Auto, i.e., MMRPL, the performance has been as per expectations in Q2 while the venture has not yet become profitable. There has been a sequential improvement in the numbers, and we are closely monitoring the operational aspects of the company. As I have mentioned earlier, the EPR regulations do give us a reason to have a positive outlook for MMRPL but albeit in the long term. And maintaining business operations at incrementally increasing levels is what we are looking at in the short and medium term and while the effect of EPR on increased vehicle sourcing through OEMs builds up. Needless to say, we are watching this closely.

I would now like to request our Director Commercial to give us a drill down on the way forward as it is panning out now followed by Director Finance to provide a snapshot of the financials.

Bhanu Kumar:

Good afternoon, Bhanu Kumar – Director Commercial here. Before talking about what we plan for future, I would like to point out the key highlights of the performance for the H1 of this year.

So, operational performance during 2025-2026, the company has crossed about 301.67 billion in terms of value of goods transacted. The marketing vertical has tapered down significantly, and it is facing closure as of now. As far as the financial performance is concerned, PBT of 125.79 crores is what has been earned in H1 of 2025-2026 vis-à-vis 111.50 crores in 2024-2025 H1. PAT is 93.47 crores vis-à-vis 83.48 crores during 2024-2025 H1. PBT of 122.16 crores vis-à-vis 108.72 crores in the consolidated financial performance, and PAT has been 89.84 crores vis-à-vis 80.70 crores. So, there is just a marginal increase but in the times to come we are expecting that it will be a little more robust.

Now, as far as the highlights of this half year is concerned, the first major thing which is going to have significant revenue inflows in the years to come is the award of the contract by Central Pollution Control Board to develop an electronic trading platform for the EPR certificate. So, this is going to be quite a game changer and in establishing exchanges by MSTC. Also, as our CMD had already stated in his opening remarks, DGFT, the Director General of Foreign Trade has nominated MSTC for establishing a platform for online administration of allocation of tariffs for import of gold bullion. We expect that this will pave way for other commodities in future. MSTC has signed an agreement with the Excise Department of Government of Karnataka. You all may be aware that we had done this exercise for Rajasthan government earlier. So, with that confidence now we had approached other state governments and Karnataka has finalized this agreement as of now.

Now, as far as the other highlights are concerned, MSTC has carried out the major mineral block auctions. About 86 numbers have been auctioned in this H1 belonging to various states like Chhattisgarh, Uttar Pradesh, Assam, Madhya Pradesh etc.

We have also signed an agreement with Chhattisgarh for sand blocks auction. Sand blocks auction we have done in various states, Uttar Pradesh being very significant in the past. Now, we are replicating that in Chhattisgarh.

The Greenfield Certification Portal. Now, these are some small assignments that we have done for the Ministry of Steel. One being the Green Steel Certification Portal. Now, similar such small assignments from various ministries and our own Ministry of Steel are also on the anvil and we are having small development of software in the SAAS model which we had introduced a couple of years ago. So, that we feel now is going to drive the revenue growth in the years to come. MSTC had auctioned the property portal that we had launched earlier. Now, it is playing a significant role in the sense that most of the state government's assets are auctioned through this portal. And the Telangana State Industrial Infrastructure Corporation witnessed a very good price and competition, and they could sell some land parcels at 2900 crores much beyond their expectations.

MSTC has signed a 30-year agreement with Syama Prasad Mookerjee Port, Kolkata. Why we are highlighting this is we are going in for long-term agreements like this with our other clients also. That will be one of the focus areas in future.

Commercial coal block mining as usual is continuing and 41 mines have been auctioned at the hedge fund of this year. As our CMD stated, the KPKB portal which is going to be a path-breaking kind of a thing in the government sector as far as retail business operations is concerned, this will again pave way for similar portals for not just the military but there are other entities who may use this kind of a platform.

We are also planning to have more products on the lines of Upkaran. Upkaran we had launched in the last quarter which is going to be a digital platform for leasing of equipment. Now, similarly we are also planning to have our own travel portal which will initially be for the government sector, focus will be on the government sector B2B transactions but definitely it is going to be enlarged to accommodate B2C, the private sector and all other stakeholders. Now, this is a plan that is on the anvil, and we expect that by FY27 Q1, we should be making it operational.

Now, regarding the financials, I will hand over the call to our Director (Finance) Mr. Sarkar.

Subrata Sarkar:

A very good afternoon. So, so far financials are concerned, revenue growth was 9.31% from 179.27 crore to 195.96. Riding primarily over our e-commerce income which grew from 123.47 to 146.28 crore, 18.47% increase. And expenses accordingly grew from 60.70 to 65.25 only, that is 7.50% increase. With that EBITDA stood at 130.71 crore as compared to 118.57 crore of corresponding period last year. So, the growth of 10.24%. Depreciation remaining flatter and with that PBT. And there is no exceptional item for this half year. So, PBT stood at 125.79 crore

as compared to 111.50, that is 12.81% increase. Profit and loss after tax stood at 93.47 crore as compared to 83.48 crore, that is up by 11.96. Accordingly, EPS has also gone up from 11.86 to 13.28 per share, growth of 11.96%.

So far as segmental reporting are concerned, total value of goods which was traded through our ecosystem, it is 301.67 bn and revenue has increased from 179.27 crores to 195.96 crores mainly on the e-commerce growth, and expenses of course has gone up from 65.83 to 70.17. So, exceptional item expenses are not there. So, profit and loss before tax has gone up from 111.50 to 125.79 crores and PAT from 83.48 crores has gone up to 93.47 crores, i.e. growth of 11.96%. This is from the standalone part.

So far as the consolidated part is concerned, right now, with hiving off of FSNL, so we have got only the share of loss from joint venture. For this half year it is 3.63 crore as compared to 2.78 crores last year. With that revenue remaining the same and there is no exceptional item. So, PBT stood at 122.16 crores as compared to 108.72 crores last year. And tax increased from 28.02 to 32.32 crores, and PAT stood at 89.84 crores as compared to 80.70 crores and as a group basis the EPS stood at 12.76 as compared to 11.46.

So far as summary of the PL is concerned, there we can see that revenue from operation grew from 140.97 to 162.43 crores and other income was little bit lesser from 38.30 to 33.53 crores. With that total revenue grew from 179.27 to 195.96 crores. Employee benefit has gone up a little just as a routine increase from 44.71 to 46.34 crores. Finance cost is nil in this half year and depreciation remaining the flatter and other expenses of course not a big jump from 15.99 to 18.91 crores. So, with that we have got PBT at 125.79 crores as compared to 111.50 crores last year and PAT at 83.48 to 93.47 crores.

So far consolidate is concerned because we don't have any line item to consolidate except only the share of profit and loss account of joint venture, this year it is 3.63 crores of loss as compared to 2.78 crores last year. With that PBT stood at 122.16 crores as compared to 108.72 crores and PAT stood at 89.84 crores as compared to 80.70 crores.

So, that is all so far financials are concerned. Now handover the call to team for further Q&A.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question comes from the line of Prathamesh from Orbit Exports Family Office.

Prathamesh:

I have questions regarding the three segments. First is the vehicle scrapping business. In the vehicle scrapping business trading platform that we have, if I am not wrong, there are around 10 lakh vehicles in India of the government which are about to get scrapped. Can you tell me in value terms how much can be the value of this and how much take rate can we take out of this?

Bhanu Kumar:

You are going by the reports that about 10 lakh vehicles are to be scrapped. But then for scrapping this, lot of background work and institutional framework is required. First being that these 10 lakh vehicles, the details should be available in the Vahan Portal. A lot of the historical

data of many of these vehicles are not available in the Vahan Portal. And at that point of time, lot of vehicles were done manually, the registration process and everything was done and it was available in segregated form. Secondly, for the vehicles to be scrapped, you need to have a good incentive scheme. There may be vehicles, but then people will have to come out and say that I want to scrap this vehicle. So, unless there is some incentive, there is some push, this is not going to happen. There have been lot of incentives given by state government, this is a state subject. There have been lot of incentives that have been formulated in the recent past. But that has not entirely translated to scrapping of the vehicles. And this again is in a very fragmented basis based on the state's owned policies and initiatives. So, these are two different things. Yes, of course, all the 10 lakh vehicles will have to be scrapped sooner or later. But this is turning out to be a slightly slow process.

Manobendra Ghoshal: The 10 lakh vehicles would also, basically the large part of it would be privately owned vehicles. And there is a substantial number of unorganized players in the market who are also into vehicle scrapping. So, a large part of those 10 lakhs would also tend to get diverted to the unorganized sectors which would basically need to be brought online. So, that is what Ma'am was talking about.

Prathamesh: My second question is regarding the EPR trading platform that we are making. What sort of opportunity we are looking at in this segment? Has there been any active regulations that have been brought by the government for the EPR norms by which it will create more volumes on our platform in coming time?

Bhanu Kumar: As far as the EPR is concerned, there have been policy guidelines as far as 5 categories of material is concerned, hazardous waste is concerned and there are at least another 5 to 10 more categories which are likely to be included in the policy framework. These have been announced very recently just in the last year and there have been some trading going on offline, there is no digital platform, and all these things are happening on one-to-one basis or there are some small players who are actually doing any trading. So, in order to regulate the entire setup since the volume definitely is going to increase in the coming years, CPCB had decided to establish an exchange and through an open tender process we got this contract from CPCB. This is going to be quite a game changer as far as MSTC is concerned because this is the first of its kind of an exchange because the policy framework is also new, the categories are new, the players are new. So, it is like starting from scratch. So, the credibility, credentials and our own experience will play a big part. MSTC as you may be aware has been disposing of hazardous waste for various government entities for the past more than 20 years in a very seamless and transparent manner. So, similarly we want to have this kind of credential established for the EPR trading also. So, with the kind of volumes that we have already seen in the past for the five categories and what is in store in the other new categories that will be added up, this holds good potential for revenue growth as far as the exchange is concerned. Of course, time will only tell and initially for the first one or two years, yes, there is lot of cost associated with it in developing and establishing this platform. There may be a positive revenue input from the end of FY27 or the beginning of 2028. But in future definitely we are seeing this as one of the game changing kind of a contract as far as MSTC is concerned.

- Prathamesh:** What I understood there is a huge tailwind in this sector, but for a few, let's say 2 to 3 years, we are not seeing significant contribution in our top line from this segment.
- Bhanu Kumar:** There will be something that will be because five of the categories are already established. So, there will be transactions, but it may not be very significant. It may be something like a routine thing, but as and when the new categories are introduced, definitely the volumes will be going up.
- Prathamesh:** Recently we have done a MoU with Kolkata Port Trust, which is I think around 5000 crores. So, are we expecting the revenue to start coming gradually? So, for 30 years, so let's say I think around 200 crores should come year-on-year or is it going to be partly?
- Bhanu Kumar:** No, 5000 crores is what Kolkata Port Trust, Syama Prasad Mookerjee Port Trust is envisaging over a period of 30 years by leasing its port land and they are using our portal for auctioning of those leases. So, what we get is a minuscule percentage of those events. It's nothing, you cannot relate it to 5000 crores. And that too this is going to happen over a 30-year period. Why we have highlighted it here is the kind of association that we are envisaging from the Port Trust entities on long term basis. These associations earlier were on one or two-years contract. But now we are going in for long term contracts. So, the strategies, the platforms can be developed in a more comprehensive manner.
- Manobendra Ghoshal:** Sustainable long-term business.
- Prathamesh:** A last question, what sort of revenue mix does vehicle scrapping business and other key sub-segments in the e-commerce platform, if you can give that highlight. Secondly, what sort of revenue growth are you looking for next three years? That's it from us.
- Bhanu Kumar:** See, as far as the sub-segments of e-commerce is concerned, some of our revenue is based on percentage basis and some of it is on event basis. So, it is a mixed map. As far as the scrap business is concerned, it is on percentage basis. But as you already are aware, the scrap prices are showing a downward trend. It has been stable in the last one year. So, there is not much growth in that segment, and it contributes to almost about 50% of our revenue as on date. As far as the other events are concerned, it is more or less on event basis, especially the coal and the e-sale and e-procurement kind of events. That's on event. So, the number of events goes up, we get good revenue. If the number of events is much less, like we had highlighted about the Telangana State infrastructure land parcel sale. They might have got about 2,900 or 3,000 crores odd, but what we get is for the event only. So, it has got no relation with the value. So, it is a mixed map actually.
- Manobendra Ghoshal:** Which we are trying to optimize.
- Bhanu Kumar:** Yes. And in the years to come, for another 2-3 years, definitely incremental growth will always be there as and when we expand our business. And with the new ventures that we are talking of, we do feel that the growth can be a little more supplemented with the new ventures.

- Prathamesh:** Can I consider there can be incremental, I think, 100-200 basis points of improvement in top line growth as compared to the previous years that we are delivering.
- Manobendra Ghoshal:** We would not like to put really numbers onto it. That would not be fair.
- Moderator:** The next question comes from the line of Prashant Kothari, who is an Individual Investor.
- Prashant Kothari:** My first question is regarding the Telangana government e-procurement mandate. You sent a notice to the stock exchange in March 2025. I wanted to understand if there has been any progress as far as the e-procurement is concerned because I checked the investor presentation, and under the e-procurement sub-segment there is hardly any revenue that is being shown there. So, please shed some light on this. Second question is regarding the eUpkaran portal. Can you please provide an update and any revenue guidelines?
- Bhanu Kumar:** The first question is regarding the Telangana government order for not just e-procurement, it is for e-auction, e-procurement, and e-sale of the raw materials. In this, as far as the auction process is concerned, yes, definitely it is trickling in. Some new additions are there from the government side. E-procurement, they do have a NIC portal also which they have been using. So, many of the events that are already listed there, it is continuing there. But the new entities that are coming up, our people are approaching them, and they are acclimatizing them as to how the usage of the portal, the features and everything. So, the revenues, I expect, will trickle in probably from the next year only. But yes, definitely, the number of events will go up with the times to come.
- Manobendra Ghoshal:** It is just subsumed into a normal revenue stream.
- Bhanu Kumar:** It is a normal growth and see, the e-procurement activity as such is not a very big revenue earner as far as MSTC is concerned. It is more of a facilitation for the government sector with whom we do other businesses also.
- Prashant Kothari:** Second question was regarding the eUpkaran portal.
- Bhanu Kumar:** Upkaran portal, as you know was launched very recently and it is basically a leasing or a purchase kind of a platform for most of the equipment for leasing as well as purchase. Now, we had not thought of any revenue in the first one or two quarters because this is a new area where people were dealing with these things only on one-to-one basis. So, first we will have to onboard them, acclimatize them to the portal and its usages. That process is going on as of now. Once we have inputs also from the stakeholders as to how we can improve upon the portal and its features, functionalities, then we will be building up a business model into this and probably you can see some kind of revenue from this segment.
- Prashant Kothari:** What will be the revenue model here? So, it is advertising revenue?
- Bhanu Kumar:** We are still in the process of gauging as to what should be the business model and what should be the revenue streaming. Right now, it is just onboarding of various stakeholders, acclimatizing

them to a digital platform for usage for leasing and purchasing of equipment. So, it is a little too early to talk about revenue or the business model as such.

Prashant Kothari: Can you also shed some light on the NPA portal that you had developed for private and cooperative banks?

Bhanu Kumar: Basically, we were operating the IBAPI portal for about 3-4 years and thereafter the public sector banks had set up their own infrastructure. So, this portal is now open for not just the NPA of the banks, the rural, cooperative, private banks, they are also using it. Apart from that, lot of government organizations they are also selling or monetizing their assets, basically primarily the properties. So, that database features that is being used by lot of organizations, that again is one of the small sub-segment of our e-commerce business itself. So, you cannot actually attribute any number to what is the income or revenue from the property portal.

Moderator: The next question comes from the line of Saurabh from SMIFS Ltd.

Saurabh Ginodia: My first question will be, what would be our annual CAPEX requirement for this year? And if you also can share some thoughts regarding how do you plan to utilize your future cash flow and what could be the dividend policies?

Subrata Sarkar: Let me answer the last question first. As already published in our portal and as per the Government of India guidelines, it is in the public domain. The dividend policy is very clear. Minimum dividend a PSU has to declare is 30% of the PAT or 4% of the net worth whichever is higher. So, like this is a very clear policy. And until and unless there is a specific dispensation from the Government of India, generally Government of India and the Ministry of Finance, it already decides through a meeting with the PSUs how much the dividend should be given and they are, of course, within the framework of this policy and the extend guidelines that is available in the public domain. Number two. Number two is a very important thing that you have sought about the CAPEX requirement. You know, we are in a phase of multiple developments as the call was going on. A CPCB platform is going on, and other ventures are also going on. The main thing that is coming up is we are still in the process of developing the same and in certain things, this exact requirement of CAPEX is going on. But still, I think as of now it seems not to be that much of capital intensity, that much of capital intensity. And so far cash is concerned like earlier years also and every year also, last year we had acquired a good office space to have a corporate office at New Delhi and that is where the capital, the cash was utilized. Similarly, we will have a mixed kind of judgment depending upon the situation. First priority will be, of course, the current server maintenance and the equipment. Second priority, of course, will be on the new business ventures like CPCB and that travel portal that we had called about. It will be a mixed bag of CAPEX and initial revenue expenditure. And the third part will be, of course, the distribution of dividend and acquisition of any office space it can be.

Saurabh Ginodia: My second part is a suggestion to the management which I have been highlighting since multiple calls that the disclosure level from the presentation needs to improve. If you see the presentation, it is just like a statement of facts. There is no information provided regarding the movement in

the earnings. Like if you see in the current quarter, the e-commerce sales have increased from about 89 crores to almost 98 crores. But what has led to this kind of jump in the e-commerce revenue has not been explained. So, in the last 4-5 quarters the management has been...

Subrata Sarkar:

I got your concern. Couple of things that I will tell you regarding our business model that our Director Commercial and CMD was also telling. There is a bunch of revenue that we are reporting. It comprises of bits and pieces. Somewhere it is 50 lakhs, somewhere it is 10 lakhs, 5 lakhs. So, it will be very difficult. You have to think from a big service organization to an e-auctions service provider. There is a model of earnings is pretty different. So, it keeps on like happening of the event and primarily depends upon the... Like still we are dependent upon the 89% to 90% is the government revenue. It depends upon the government disposal of scrap, government disposal of their natural resources like coal block, iron block. And of course, the iron ore mining scenario in the country. So, it keeps on fluctuating. Overall, basically it will be very difficult to tell how this has happened and what will be the trend. Because we are dependent upon some external events which is not in our control, unlike a manufacturing organization and like a big service organization where the service bunches are very very clear. Though our services are clear, but the events are not very much well defined, predefined. So, it will be very difficult to have this. Still as gathered from our earlier experiences and valuable suggestions of the investors, this time we have already tried to put a single pager which gives a very overview of what we are planning to do in future and per se what has led to this type of thing. So that page is very clear. Page number 4 is very clear to our activity in brief. Otherwise, it's very scattered type of activities. So, it will run into pages and pages.

Manobendra Ghoshal:

It's an agglomeration of multiple sources of revenue. So, it is difficult to put a specific sector because those keep varying from time to time.

Saurabh Ginodia:

At least a breakup of revenue between scrap and non-scrap to begin will be also quite helpful. And a paragraph on the latest quarterly performance with some comments from the senior management, MD and CFO will also help.

Subrata Sarkar:

We have noted. Let us see how we can make it out within the legal framework and the exact guidelines.

Moderator:

Our next question comes from the line of Prashant Kothari, who is an Individual Investor.

Prashant Kothari:

My question is regarding the notice that was recently sent regarding e-auction of Gold Tariff status quota. Could you explain what this is? How was is business currently done and what is the revenue potential? Because you have clearly mentioned that the management of the company expects fair volume of business from the aforesaid business. Secondly, regarding the travel portal, can you share some more details as to what you actually plan to do? Because currently you already have so many portals like MakeMyTrip, Yatra, etc. So, how does MSTC plan to start this business?

Bhanu Kumar:

The first question regarding the bullion allocation quota. The Director General of Foreign Trade allows import of gold bullion into the country, and it is given to MSMEs and non-MSMEs small scale sector. And there is a rebate in the price of the gold itself. So, for allocating that a very transparent kind of a mechanism was required by DGFT. All along it was done more in a manual fashion. But right now, they have asked us to develop a platform through which in a transparent manner the allocation can be done. Since there is a subsidy kind of a thing involved in this, so obviously the person, the entity which will be asking for the least subsidy will be the preferred bidder. Now, this is in terms of kgs and there are limits that are applicable to various entities. So, this is a complex kind of allocation methodology algorithm that is being developed. Now, as far as the revenue is concerned, we are expecting lot of entities who are operating in this sector, the stakeholders to register on our platform and carry out the transactions. So, there will be some small transaction charges associated with taking part in such events. As of now since we have not started doing any transaction, it will be a little too premature to talk about what kind of revenue stream we can envisage. But right now, for just the development and all it is not much, it is not significant. But going forward because this is an area which is new to us as well as to DGFT, we expect that this kind of events will be extended to other commodities, precious metals also.

Now, regarding the travel portal, that was the second question. There are lot of travel portals, I totally agree with you, they are all mainly in the B2C segment. But as far as the government work is concerned, there are just about 3-4 portals that the government has mandated for use by the government organizations, especially in the central government, the ministries as well as the PSUs, which actually transact a lot of business in the travel arena. So, Balmer Lawrie is one and then apart from that, of course, IRCTC and there are a couple of more organizations which have established travel portals. And the government organizations can use it only when there is an empanelment with the DGCA. Now, towards this end, we saw that there is an ample opportunity, we being in the e-commerce space for quite some time, our expertise, our exposure to newer technologies, they have given us the confidence that we can probably enter this area with newer technologies as well as a better interface for the users. So, with that ambitious plan we are embarking upon establishing a travel portal which will be focusing initially for the government sector, but later on definitely it will be opened up to the private sector as well as the B2C segment, individuals also. As of now, the revenue may not be significant, but there is enough potential in the government sector, so that is why we are venturing to establish. And the cost associated with this; we saw that wasn't much because we already have established data centers and redundant capacities. We don't need to add on or invest upon any infrastructure cost for establishing a travel portal.

Manobendra Ghoshal: Leverages our existing capacities.

Bhanu Kumar: Redundant capacities.

Manobendra Ghoshal: Capacities and expertise.

Bhanu Kumar: Basically, there is not much cost involved and definitely the revenues are always welcome.

- Prashant Kothari:** If I understand right, this is being developed currently only for the central government?
- Bhanu Kumar:** No, the focus is on the government sector initially because we will see lot of traction, a lot of travel being undertaken by the various officials, but definitely it is going to be opened up for the private sector as well as the B2C clients or individuals also. So, initial focus is only for the government sector because there are certain guidelines and rules, regulations, all those things are applicable. So, the development will be tuned to the government sector, but later on it will be enlarged to open up for private sector and individuals.
- Prashant Kothari:** Currently, government sector employees cannot use the private sector portals like MakeMyTrip or Yatra? Please let me know.
- Bhanu Kumar:** Not for official use.
- Prashant Kothari:** How do they go about making their bookings, through Balmer Lawrie?
- Bhanu Kumar:** Balmer Lawrie is there, IRCTC is there or they can have direct agreements with certain airlines and all, if at all they conclude. But then, most of the central government as of now is using Balmer Lawrie.
- Prashant Kothari:** Balmer Lawrie would be our prime competitor here?
- Bhanu Kumar:** Yes. They are already established here. So, we are actually trying to compete with them.
- Prashant Kothari:** You also mentioned regarding the data center business. Somewhere in May also, you had mentioned that MSTC is opening a center, a disaster recovery site in Delhi. And then you had made some changes in the Memorandum of Association regarding getting into the data center business. So, any update regarding that?
- Manobendra Ghoshal:** All of these are essentially operational requirements. Even at that point of time, I had mentioned that putting up a DR site in Delhi or expanding our data server base is an operational requirement primarily. And we would then also evaluate as to what would be the additional capacities that would be available so that with a view of monetizing it. So, that is a process which is ongoing and we are working towards it. I mean, primarily of course, it is for strengthening our data infrastructure which is available.
- Prashant Kothari:** Have you started monetizing the data center business?
- Manobendra Ghoshal:** Not yet. We are working on it. Since we are working on multiple streams so this is one of the things that we are following up.
- Prashant Kothari:** You mentioned in this investor presentation that MSTC has developed Kendraya Police Kalyan Bhandar Portal. What does that mean, sir?

- Manobendra Ghoshal:** The Kendraya Police Kalyan Bhandar is a kind of canteen facility for the Central Police Forces. We are developing a software application covering the entire gamut of operations of those Bhandars for them. This is something which is now in the final stages.
- Prashant Kothari:** It's not like a portal, like a kind of an Amazon for KTKB.
- Manobendra Ghoshal:** No, it's basically we are developing the backbone for them, the software application backbone for them.
- Moderator:** The next question comes from the line of Prathamesh from Orbit Exports Family Office.
- Prathamesh:** A follow-up question for the previous participant. Actually, I am new to the business. The data center that we are setting up, is it for the captive use or are we going to rent it out?
- Manobendra Ghoshal:** As I mentioned Prathamesh, the primary requirement of a data center is for our own use. Basically, it is for expanding our own capacity as well as developing a robust DR backbone. And then we will be able to evaluate as to if there is additional capacity then available with us, obviously, we would look at monetizing it. So, we are in the process of doing that now. As and when that time where we will be able to take a firm call on what is the monetization possible, we will update all the stakeholders regarding that.
- Moderator:** As there are no further questions from the line of participants, I now hand the conference over to the management for closing comments.
- Manobendra Ghoshal:** Once again, I would like to express my gratitude to all the stakeholders who have taken the time to ask these questions. Because when you ask these questions, it also makes us rethink. At some points of time, we would be going in a stream of thought where a question of a kind that is asked at these interactions also leads to a lot of other possibilities opening up. So, I am really grateful and please keep those questions coming. Please keep that advice coming so that we can make your company bigger, better, and more profitable enterprise at all times. Thank you so much.
- Moderator:** On behalf of Equirus Securities Private Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.



Safe Harbour:

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