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website: www.mstcindia.co.in • www.mstcecommerce.com

MSTC/CS/SE/113

20th February, 2020

1. The Dy.Manager (Listing)
BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai 400 023.
(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 / Analysts on Friday, 14th February, 2020 at 12:00 P.M IST with reference to the Financial Results of the Company for the Quarter & Nine Months ended 31st December, 2019. 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,

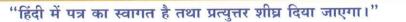
Yours faithfully, For MSTC Limited

(Ajay Kumar Rai)

Company Secretary and Compliance Officer

Encl: as above







"MSTC Limited Q3 FY2020 Earnings Conference Call"

February 14, 2020







ANALYST: MR. RUSHABH SHAH - EQUIRUS SECURITIES

MANAGEMENT: MR. SURINDER KUMAR GUPTA - CHAIRMAN &

MANAGING DIRECTOR - MSTC LIMITED

Ms. Bhanu Kumar - Director (Commercial) -

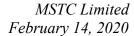
MSTC LIMITED

MR. SUBRATA SARKAR - DIRECTOR (FINANCE) - MSTC

LIMITED

Mr. Ajay Kumar Rai - Company Secretary &

COMPLIANCE OFFICER - MSTC LIMITED





Moderator:

Ladies and gentlemen, good day, and welcome to the MSTC Limited Q3 FY2020 Earnings Conference Call hosted by Equirus Securities. As a reminder, all participant lines will be in the listen-only mode. There will 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 touchtone telephone. Please note that this conference is being recorded. I now hand the conference over to Mr. Rushabh Shah from Equirus Securities. Thank you and over to you.

Rushabh Shah:

Thank you Zaid and good afternoon everyone on the call. On behalf of Equirus Securities, I would like to welcome you to the Q3 FY2020 earnings conference call of MSTC Limited. From the company, we have with us key senior management team including Mr. Surinder Kumar Gupta, Chairman and Managing Director; Ms. Bhanu Kumar, Director, Commercial, Mr. Subrata Sarkar, Director Finance, and Mr. Ajay Kumar Rai, Company Secretary and Compliance Officer. I would like to now hand over the call to the management team for their opening remarks and then we will open the call for Q&A. Thank you Sir and over to you.

S K Gupta:

Yes. Good morning, thanks. I am Surinder Gupta, CMD for the company. I have joined the company around 2 months back, and what I found in these two months the Company has great potential, we have a good dedicated team of officers, who are striving hard to deliver best measures for the stakeholders, for our clients, customers, as it is their satisfaction, which gives us value and further business. If we get further business, the company's financials improve, and it leads to better value for the shareholders. You are all aware you are very valuable investors for the Company. You are aware last year was not very good for the Company as far as the financials were concerned. Although company is doing consistently good as far as the e-commerce is concerned, but certain large provisions had to be made for certain businesses this year, which were very old decisions. So now the things are stabilizing. As discussed by the management team we brought down the business of marketing quite largely, cash and carry business has been totally stopped. As far as the marketing is concerned, if we see the financials, revenue from business is around 294 Crores in Q3 for the current year. This was 294 Crores against 1012 Crores for the last financial year corresponding period, which is a decline of almost 71%. This is largely driven by 85% degrowth in marketing business. So we bring down marketing business, which was basically one of the reasons for our loss in all transactions. However, we are focusing more on e-commerce business and we are quite sure e-commerce is the future for the company and for the country also. We are adding good value to our customers. They are getting large benefits because of use of our e-commerce services. The company's performance and the credentials in e-commerce business are not hidden from anybody.

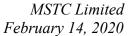


Not only the government sector, even the private sector is now giving business to MSTC. Based on the satisfactory service without any error with total safe secure solutions for which MSTC is known, starting from the coal auctions to various key projects of various ministries like UDAN project and IBA portal, so many large schemes we have given to Government of India. Our services are being used by now not only central government, many state governments also for their minor mineral blocks and other allied services. This quarter we have profit before tax of around 56 Crores in Q3 for the current financial year versus around 80 Crores in last financial year that is a decline of around 30%. One of the reasons is, as I said before, is our marketing business downturn because of the conscious decision taken by the company management, and the reason is slightly depressing scenario as far as the steel sector was concerned. Scrap is predominantly related to steel so because of the downturn in steel industry the prices for scrap are not good. We were getting good revenue and many customers were not selling their scrap as previously they are sold at higher rates and they were finding difficult at selling at lower rates, but for Q3 if things are slightly on better trend and we are hoping that in the next quarter and the coming year also the trend will be on positive side.

We have finalized our provisioning policy. In any business there have to be certain works that any business will do and in services any business will perform, but they will not get the payment or the payment will be coming very late. Looking to these factors, we have finalized the provisioning policy with the MSTC Board's approval after detailed discussions. As a result of this we have made a provision of around \$89 million that is approximately 9 Crores in Q3 for FY2020.

As far as the business is concerned, we are uploading whatever new agreements are being signed on the SEBI portal as per the guidelines. However, few major projects I would like to mention here. One is this IBA portal, Indian Banking Association, all the PSU banks are the member of IBA whatever their properties are there, which are attached for nonpayment of loan by the customers so those are being sold on MSTC portal. We have already done auction for 9 PSU banks as a beginning and hoping to drop in more PSU banks progressively and the auction services have been integrated with the IBA portal and these things are getting refined. We are hoping to get good business volume in coming quarter and coming year as far as the IBA property sale is concerned.

Again, on the property front, as per the Honourable Supreme Court mandate, MSTC is selling the property of Amrapali Group on our MSTC portal. As and when the properties are received from the court receiver after due diligence, after checking the paper work and everything the properties are coming to MSTC portal from where these are being sold.





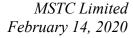
As a beginning, few vehicles and few properties have already been sold in last month. Major mineral blocks, now a lot of mines are where the licenses have expired, those are coming for auction. Few mines have already been sold for Odisha government through MSTC portal and a few more events have already been scheduled as per the requirement of state governments. Apart from this, MSTC is developing a portal for DIPAM for strategic disinvestment of the six public sector units. So this will be a very unique project. The requirements are almost at the final stage. As we go ahead from DIPAM, we will be making the project live for disinvestment of six public sector units sale.

Apart from that, MSTC has dwelled a portal for and basically mobile app for sale of organic produce as per the directives of Ministry of Agriculture. We are in the process of empanelment of logistic partners so that the end consumers are given door delivery services. We are hearing on B2B as well as B2C type of customers for these sectors. Once we enroll the logistic partners and do one small pilot project, we will be hoping that apart from the agriculture, other ministries may use our portal for selling various products like small handicraft where the local artisan do not have the logistics for the market available with them. They do not get fair value for their products so we will be able to expand our portal for associated activities. This was all I wanted to tell all our investors about small insight into what the future is ahead for us.

I would also like to say one more thing that it is a slow progress. We have to be doing the business in a safe way. We do not want to venture into any activity, which will create problem for the company financial in future. So whatever decision we are taking and expanding in new areas, we are giving a proper thought before entering into the new areas. We are also doing some internal restructuring in the company. Whatever businesses are on declining side, so we will be aligning our own resources with the e-commerce or wherever the growth are there, so those things are still in planning stage. We will be doing as per the requirement of company from time to time. Now with this, I will hand over the mic to Director of Finance, Mr. Subrata Sarkar. He will give you insight in the financials of the company for the last quarter.

Subrata Sarkar:

Good afternoon everybody. So this is all about us. I think you have all gone through the financials. So let me tell about the financials, so it is year-to-year, so for Q3 FY2020 vs Q3 standalone. Q3 FY2019, the total revenue is 1973.30 million as compared to last year 9127.96, but the revenue in the e-commerce has a little bit of growth that is 498.55 million. Our current quarter is 591.17 million and the PBT as compared to Q3 of FY2019 was 695.23 million. Current PBT is 470.41 million and it is a little bit degrowth, but it is a conscious decision of the management to coming out of this, getting back business and concentrate more on the state and some e-commerce business, and accordingly, the PAT is also 295.85 million as against last year-to-year of the previous year is 445.86 million.





Now I will switch over to the consolidated financial highlights. That is against that Q3 revenue comparison last year it was 10123.05 million. In current year it is 2948.28 million, and pre-provisioning EBITDA was 1011.31 million, current year is 762.70 million and the profit before tax is 558.50 million as compared to 798.85 million last year and the PAT is 339.02 million as compared to 511.09 million last year.

Now I will go to the segmental reporting of the standalone. If you look at that, it is a total nine months standalone. If we do that the revenue is 7827.68 as compared to 22251.65 last year and profit before tax is 1230.91 million as against a loss of 2735.47 million because last year and during that half year period we have made a provision for bad and doubtful debt. Accordingly profit after tax for current 9 months is 791.60 million as compared to 3780.73 million loss of the last corresponding year.

Now we are going to the consolidated highlights of nine months of FY2020. In the consolidated position, the total revenue is 10656.49 million as compared to 25038.55 million last year. The pre-provisioning EBITDA is 1931.51 million as compared to 3109.83 million and as you can see that there was a provision of last year is 4933.36 million as compared to current 9 months is 89.22 million as our CMD has already explained regarding that provision part and PBT is 1464.41 million as compared to 2444.17 million, and PAT is 923.08 million as compared to 3295.47 million loss.

So commercial statement, we will now concentrate first on the consolidated part. Total revenue is 2948.28 million as compared to 10123.05 million and profit before tax is 558.50 as compared to 798.85 million, and the PAT is 339.03 million as compared to 511.09 million, and regarding the standalone part, the total revenue is 1973.30 million as compared to 9127.96 million, and the PBT is 470.41 million as compared to 695.23 million, and PAT is 295.85 million as compared to 445.86 million. That is all from our side and hand over to Equirus.

Moderator:

Thank you very much Sir. Ladies and gentlemen, we will begin with the question and answer session. The first question is from the line of Nisarg Vakharia from Lucky Investment Managers. Please go ahead.

Nisarg Vakharia:

Congratulations on a very healthy growth in the e-commerce business and living up to the commitment of lower and lower trading business and higher e-commerce business. I had a small question that the unallocable expense, which is generally the total cost of running our business, is running at a run rate of about 21 Crores, 22 Crores per quarter, which is showing about 16 Crores in this quarter can you please elaborate on the same?





Subrata Sarkar: Yes. Actually, basically what is happening over here, as we were keeping on explaining

earlier also during the road show and interaction at different time at your office also while we are making presentation. Our salaries and overheads, it cannot be allocated partly between this e-commerce business and the trading business because each and every office and every premise is being used for both of these, so that is why it is like that, so therefore it

is kept in the unallocable portion.

Nisarg Vakharia: Sir, my question is slightly different.

Subrata Sarkar: So you wanted to say that why there is a variation, is not it?

Nisarg Vakharia: Yes Sir.

Subrata Sarkar: Why there is a variation?

Nisarg Vakharia: Yes.

Subrata Sarkar: It is the overhead expenses. That is your question?

Nisarg Vakharia: Yes, Sir, my question is that.

Subrata Sarkar: You can repeat your question. What is the exact specific question that you want?

Nisarg Vakharia: Sir, my exact question is that the unallocable expenses, which were at 22 Crores per quarter

run rate, is that about 16 Crores in this quarter, which is about 5 Crores to 6 Crores lower,

so I wanted to ask you why.

Subrata Sarkar: Yes. It is because of the fact that in the overhead expenses, in the first or second quarter we

had a little bit of, other expenses like taxes and others were actually paid, some old taxes that we paid that was there and some bank charges were also there, but this quarter we have managed well and other expenses have gone down and overhead also, we have gone down

in the traveling and others also, so that price is a little bit lower this quarter.

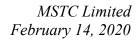
Nisarg Vakharia: Okay. So sir, it is fair to assume that this is a steady state normal run rate if we do lower

trading business and higher e-commerce business, right?

Subrata Sarkar: Yes.

Nisarg Vakharia: My second question is that quarter-on-quarter we have seen a significant growth in the e-

commerce business and even y-on-y, was there any large one-off orders or execution in the





e-commerce space or the things have improved and things are back to normal and we can see growth going ahead?

Bhanu Kumar: Actually, what had happened was, in the first quarter and second quarter we were lagging

behind the last year comparative figures and all that stock actually has started selling in the third quarter onwards so that is why when you see there is a better result in the Q3 as compared to Q3 of last year as well as the Q1 and Q2 of the current financial year. The

market as of now I am sure in Q4 the same trend will be witnessed.

Nisarg Vakharia: Okay, that is great to know madam. Thank you and all the very best for everyone.

Moderator: Thank you very much. The next question is from the line of Deepak Poddar from Sapphire

Capital. Please go ahead.

Deepak Poddar: I wanted to understand e-commerce has grown by about 19% on a Y-o-Y basis, even on a

quarter-on-quarter basis, about 30%, 40%, and if you have to see the next two, three years, can you comment how big is the opportunity in e-commerce for you and what sort of

growth are we targeting in the e-commerce segment as such?

S K Gupta: You see, e-commerce is a very promising area, but it is not something it can be very big

change in a small period. It has to be very consistent only. Our only efforts are to get more and more business, and we also understand the profit margins or the service charges in the e-commerce sector are not that large so whatever volume increase or the service charge increase will be there those will be small, but we are trying that we are on a consistently

growth path.

Deepak Poddar: Sir, so would you want to put any number to it or a range to it that this is the range that we

might be wanting to grow this business?

Bhanu Kumar: So I think you can take the cue from the Q3 results and we are hoping that the same trend

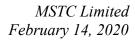
will continue. Market is slightly picking up. As I said about 45% of our e-commerce revenue is coming from scrap sales and once the steel sector slightly improves the scrap sale revenue will also improve, so we are just hoping for this trend to continue, but we cannot

put any numbers to it.

Deepak Poddar: Fair enough and 45% is from scrap scale?

Bhanu Kumar: Yes. 45% e-commerce revenue is from scrap sale.

Deepak Poddar: Fair enough. That is it from my side. Thank you very much.





Moderator: Thank you. Next question is from the line of Kaustav Dutta, an individual investor. Please

go ahead.

Kaustav Dutta: Congratulations on the excellent number, and I am happy to note that trading business is

curtailing and e-commerce is growing. I have one question on the scrap recovery business and for which you have entered into a joint venture with Mahindra, how is that going, I know it is premature, but would you like to give us a sense of the opportunity that you see

coming in the future?

Subrata Sarkar: It is the premature that you are telling, it is in a very nascent stage, it is there, and it is what

we can say we are on the right path, and we are trying to explore all the possibilities to get in this and we are trying to explore to where these recoveries can be coming up and all these things, but again that some time is required although it is a very sunrise industry, but

sometimes we will be required to have the actual outlook where it will be heading toward.

S K Gupta: Apart from that, we are basically expecting one policy is the scrapping of vehicles, which is

expected to come in month's time. So with that, we will have more clarity what are the

business opportunities and how to go in future about it further.

Subrata Sarkar: Alright, we look forward to it. Thank you.

Moderator: Thank you. The next question is from the line of Abhishek Agarwal from Prithvi Finmart.

Please go ahead.

Abhishek Agarwal: Sir, my question is related to your legal case with the SCB so with the recent judgment,

Supreme Court has given that they dismissed our petition, so what the next legal course of action is available to us, and why we have not created provisions regarding this in this

quarter?

Subrata Sarkar: I am getting you one by one. First, Supreme Court judgment that you have gone through it

okay fine that is there, but they have rejected our option for review. So it is not that

rejection of anything than other things so we are exploring all the possible legal formalities and taking all the legal opinion. So very soon we will come up with a solution and of course

we will let you know beforehand and it will be all in the public domain what we are going

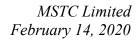
to do and proceed in this quarter, we are taking all the possible legal opinions in this matter.

Number two regarding the provision I can tell you that it is not a question of having a

provision because already it is appearing in our balance sheet so on the balance sheet it is

there, so of course under protest and we can note that it is on subjudice and it is under

protest and we are contesting the claim at various legal forum. So that is why it is already





there of course with this type of guidance because we have not accepted that claim and the claim is subjudice we are unable to further clarify on these matters.

Abhishek Agarwal: Sir you mean to say you have already accounted the 200 Crores amount in your balance

sheet as a protest amount?

Subrata Sarkar: Yes. It is there. You can go to our financials of March 31, 2019, and with the notes and

accounts you will find there. It is a big note there, and let me again add to it. It is a big note over there and in the DRHP while raising the capital also there was a big para on that particular business regarding all the things. Moreover you can go through March 31, 2019

annual report and accounts also Sir.

Abhishek Agarwal: Okay. So the debt which you accounted, you are referring to that amount, correct?

Subrata Sarkar: Yes. That note is there, very clarifying note is there. I think that is very sufficient enough.

Abhishek Agarwal: Okay. That is it from my end.

Moderator: Thank you very much. The next question is from the line of Pritesh Chheda from Lucky

Investment. Please go ahead.

Pritesh Chheda: Sir, I just have a followup there so that amount is a part of your debt or it is a contingent

liability?

Subrata Sarkar: It is a part of that debt because that rider is there, it is a part of the current liability and there

is note that it is being this liability being contested at.

Pritesh Chheda: My second question is on these incremental revenue streams in e-com, which is IBA portal

property sales or disinvestment, sale of mining license, what will be the revenue model

here?

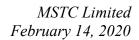
Bhanu Kumar: These are actually more event-based and we charge something as an upfront fee, but later

on there is event-based charges also especially the Ministry of Agriculture dedicated portal and DIPAM portal it is event-based, and as far as IBA portal is concerned there are various models, it depends on the bank to choose a model. It can be on listing business; it can be on a successful sale basis, so we have a very complex model for this. It will be difficult to

actually quantify it in terms of percentage or numbers.

Pritesh Chheda: Is it fair to assume that a lot of this should be listing fee-based and unlike let us say

currently in e-com?





Bhanu Kumar: That choice is actually given to the bank. They can go for listing or go for successful sale.

So as on date only about 8 or 9 banks have come up, so it depends on the other banks, which kind of models they want to choose and based on that this actually average can be

worked out so I think another 6 to 7 months can probably show us the trend.

Pritesh Chheda: This is valid for even mining licenses, disinvestment all of it?

Bhanu Kumar: Mining licenses are mainly event-based.

Pritesh Chheda: Listing basis, so you will get a listing fee for it, right?

Bhanu Kumar: Yes. Not listing, successful sale, but for event, irrespective of what kind of mineral block it

is or what kind of volumes are there, we charge for per event.

Pritesh Chheda: Per event, but successful sale?

Bhanu Kumar: That successful sale would happen for the event.

Pritesh Chheda: Then only you will get remuneration for it?

Bhanu Kumar: Yes. I just listed there are no bids I do not get any fee. If there is a bid, but it is not allocated

then also I am entitled to my fee.

Pritesh Chheda: Understood and lastly on the growth side madam, so a lot of our growth should be

dependent on scrap or there is upside in case of procurement and the e-sale portion of the

revenue model that we have?

Bhanu Kumar: It is all combined together because scrap especially from the government sector is

somewhat limited so that is why we started targeting the private sector and we have had some success, but as I said when the steel sector picks up, the scrap sale obviously will go up, but still I would say that it will be in the range of 45% to 50% of our revenue and we are focusing more on value-added services in e-sale as well as e-procurement. In fact we are launching a new version of our e-procurement model very shortly, which, I am sure, will be

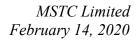
more marketable, and there will be a lot of more clients for this.

Pritesh Chheda: My last question is since we are bringing down our trade sale, so year-end debt or the

liability, what it should look like in FY2020 and what it should look like in FY2021?

Subrata Sarkar: Just repeat, sir. What are you asking?

Pritesh Chheda: We are bringing down our trading sale?





Subrata Sarkar: Yes.

Pritesh Chheda: So the associated capital employed will also come down with it. So year-end liability on our

books or debt on our books, what it should look like in FY2020 and FY2021 on this

particular part?

Subrata Sarkar: Of course what we have told that we are bringing down the trading thing for which it is a

very capital-intensive thing. Of course we are doing, but still the contracts, which we have done, we are not adding the fresh contract, but some contracts are still there and some trade receivables on this 110% BG segments are also there, so for that I think they are continuing. For that, of course some debt will be required, but of course we are scaling down to it, it might go down. The second thing that we have explained to you during course of our road show and other shows also, some kind of advances also we received from the parties. So depending upon that also our debt keeps on fluctuating, but the overall size we expect it

might go down because of that scaling down in this marketing business, trading business.

Pritesh Chheda: Thank you very much and all the best to you Sir.

Moderator: Thank you very much. The next question is from the line of Govind Saboo from

IndiaNivesh PMS. Please go ahead.

Govind Saboo: Sir, I wanted to understand more about this provision of 9 Crores, which we have made

during the quarter to which segment does it belong to and we were of the understanding that all the provisions are behind us regarding the trading business or the traditional trading

business so why is it up during this quarter?

Subrata Sarkar: Yes. I think during this address our CMD has clarified that there was a provisioning last

year and a big, big amount so that our management and governing body bet if there could be a consistent like the expected credit loss type thing met a little bit of strengthening the

thing so that the event in any particular year or quarter there is no such heat on the

profitability of the Company. Accordingly, for a conservative basis, the policy has been created and of course it relates to the trading part where even if there is a little bit of delay

in the payment we are making a little bit of miniscule provision so that at the end of the

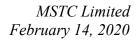
year or end of a certain period the whole thing does not come and affect the financial year.

Although, again we have what we have explained that this type of trade receivables forms

very, very little part of our old trade receivables, and now majority of the trade receivables

are backed by either by bank guarantee or through a contract where our associate supply guarantees the receivability of these trade receivables. So whatever is there it will be a very

miniscule amount quarter-to-quarter by being on a conservative policy that we are





following so that it does not affect any particular year or any particular period's profitability per se.

S K Gupta:

I will supplement what Mr. Subrata, our Director of Finance, has told. There may be small provisions as far as the e-commerce is also concerned because many times, there are whatever the models for the service fees are concerned, sometimes when we remit the amount to the price, we deduct our service charges, but as per the few agreements we bill it subsequently and the payments are received from those clients after some gap. So there could be always a few clients where there are abnormal delays in receiving those service charges. So that we do not get a shock in future, we have made a provisioning policy that if we do not get our payments within this time period, defined time period as per the provisioning policy, we will make certain provisions, but we will always making efforts to get those dues from the department from which our claims are there so smart provisions are there but not big ticket provisions.

Govind Saboo:

Sir can you quantify the receivable amount which is open, which is not backed by our associate guarantee or bank guarantee program?

Subrata Sarkar:

Yes. It is some kind of around still 140 Crores to 150 Crores odd are there in the cash and carry model. So of course they are paying, but at a very slow pace and all these things. So there might be a provisioning and the policy takes care of backing particular because otherwise others are backed by guarantee and as our CMD Sir explained, but in the e-commerce, of course e-commerce is a very miniscule amount, very, very miniscule amount for that.

Govind Saboo:

Sir, just to clarify, are we doing some incremental business on a cash and carry basis?

Subrata Sarkar:

No. To clarify and categorically I will tell you from April 1, this year onwards we have stopped that model. Whatever is that is the backlog of earlier year.

Govind Saboo:

So all these 150 Crores are pertaining to business, which we have done in the earlier year and nothing is of the current year?

Subrata Sarkar:

Absolutely.

Govind Saboo:

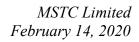
Can I have the debt number as on December 31, 2019?

Subrata Sarkar:

Yes. It is because we have not publish the balance sheet per se for this so because we don't have the figures at this juncture right now with us.

Govind Saboo:

No problem Sir. Thank you Sir.





Moderator: Thank you. Next question is from the line of Jeevan Patwa from Candy Floss Advisors.

Please go ahead.

Jeevan Patwa: I have just one question. If you can just explain us what is the economics of this trading

plant so we have actually put a one plant and there is another plant in progress so if you can just explain how the economics works for the trading plant, so how much is the investment

done, what kind of turnover it can achieve, and what kind of margins it has?

S K Gupta: You see, right now, it is a new business. It has yet to stabilize.

Jeevan Patwa: Right, but whatever plant we have put up, the one plant that we started?

S K Gupta: One is in Noida and second in Chennai. We have just, last month got the license to operate,

all the factory licenses and environmental clearance.

Jeevan Patwa: How much we invested in Noida plant?

Subrata Sarkar: Of a segment-wise investment, per se, it is not available at this point of time because it is

equity investment in that particular joint venture so our equity right now is invested in 18.60 Crores in the joint venture equally invested by our JV company it is 18.60, but total now the

equity invested in that particular venture is 37.20 Crores Sir.

Jeevan Patwa: Right, but how much you invested in your Noida plant?

Subrata Sarkar: Segmental-wise split up is actually not available right now at this moment with us.

Jeevan Patwa: Secondly if the scrappage policy comes then is there any estimates from your side how

much would be the extracted scrap generated within the country?

S K Gupta: It depends upon what is there in the scrappage policy. There is always hope of the industry,

automobile industries for some kind of incentive for scrappage of the vehicle. So, if some form of financial incentive is there then we will get sudden jump in volumes then we can rapidly expand our business in this area. So that depends upon what is there in the policy so

it cannot be commented at this moment.

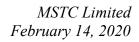
Jeevan Patwa: We have got some MoU with the Odisha government or Chhattisgarh government, so is

there any revenue flowing from that MoU?

Bhanu Kumar: Yes. In fact, the minor mineral block, e-procurement, all those, the activities have started

with the government of Odisha, and even scrap sale has gone up under that bill agreement.

So as I said because of the industry having a downturn in the first two quarters it was not





reflected, but now things have picked up and we are expecting big gains from that agreement.

Jeevan Patwa: Thanks a lot. That is it from my side.

Moderator: Thank you. Next question is from the line of Harsh Shah, an individual investor. Please go

ahead.

Harsh Shah: Sir, I want to ask, when that scrappage policy comes what will be the revenues like?

Subrata Sarkar: Yes. You want to get that figures of that JV, the shredding plant?

Harsh Shah: JV if this scrappage policy comes mainly with incentive so what may be the shoot up of the

revenue like 10%, 15%?

Subrata Sarkar: It is very difficult to assess at this point of time because as our CMD Sir just now pointed

out, what will be their scrappage policy so we do not have that thing in our hand. So until and unless get a figure, what is there in the scrappage policy so what type of areas are involved in that everything, so it is very difficult to predict right now. Please wait and if it comes up in this quarter, most probably in the next concall we will be able to enlighten you

on this matter.

Harsh Shah: Sir, this 200 Crores, so the Standard Chartered Bank, which is in the court, Supreme Court.

So the provisioning have been made or if you lose the case you have to give some from our

account?

Subrata Sarkar: Can you repeat the question, sir?

Harsh Shah: The Standard Chartered Bank, 200 Crores litigation is there?

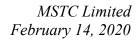
Subrata Sarkar: Yes.

Harsh Shah: That already the provisions have made or if you lose the case in the Supreme Court?

Subrata Sarkar: Let me clarify two things. First, is that in the Supreme Court, as we have already informed

to our investor, the Supreme Court has decided on the matter, in which court the things like. So yes, the fact that the review is rejected, but we have got other legal options also there. We are exploring the thing so it has not now been decided, is that money has to be paid or not paid it is still subjudice. Again it has already been there in our accounts with a rider that this is subjudice and we do not accept this liability so it is already there in our books. If you

can see that in our final accounts of March 2019 in the Annual Report you can clearly have





that thing with our clear-cut note that this is subjudice and we have not accepted the claim of the Standard Chartered Bank.

Harsh Shah: That is all from my side Sir.

Moderator: Thank you. Next question is a followup from the line of Govind Saboo from IndiaNivesh

PMS. Please go ahead.

Govind Saboo: Sir, can I have the GMV number, Sir, from the record, if it is available?

Subrata Sarkar: Which one?

Govind Saboo: The gross merchandise value on the e-com portal.

Subrata Sarkar: Yes. For e-commerce it is 672360 million.

Bhanu Kumar: 67000 Crores.

Govind Saboo: So this is for the 9 months?

Bhanu Kumar: Yes, for the first 9.

Govind Saboo: Correspondingly for the FY2019 numbers?

Bhanu Kumar: 76000 Crores, but actually these volumes do not actually reflect the performance. This is

just for some statistics purpose we capture this because in many cases we cannot quantify like in case of mineral blocks or coal block auction we cannot quantify as to what is the value because sometimes it is for a 15-year lease, sometimes it is for 30-year lease, sometimes it is just for 10-year lease so sometimes we take only the annual revenue for the state exchequer, so there is no uniformity amongst the states. It is not a true reflection of the performance of e-commerce sector. Numbers very seriously if that is for academy purpose

yes we are publishing those also.

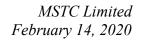
Govind Saboo: Second question, it is just a followup on this Standard Chartered Bank dispute liability,

which is balance sheet and which is contingent for payment. So I understand that it is subjudice and a lot has been explained in the annual report and DRHP, but looking at the current developments can you just give some color or throw some light on the locus standi

of our position in this entire legal dispute?

Subrata Sarkar: I am telling you that you are aware that the Honourable Supreme Court has already directed

that the review is not tenable so we are taking other legal stage, number one. Number two,





that the things like that, whether MSTC has to pay or not pay it is still subjudice and it has not yet been decided by the court, okay, whether we have to pay or not to pay because we have got lot of other legal remedies still available with us, and which we are exploring, and which will be coming up very soon, and we will let you know. So that is there, that is there. Still it is there and still it is subjudice.

Govind Saboo: On the outcome of the case, there is no judicial directive as of now is it fair to assume?

Subrata Sarkar: Of course, I will explain to you every judgment has a directive. Here the judgment here the case before the honorable court was that whether the reviews is tenable or not, so Honorable Supreme Court points you, okay, fine this review is not tenable so that is the judgment of

the court. Then in the light of that thing we have to explore other legal remedies other than reviews. So that is the judgment. Of course, the judgment is there, but it was not on the

payment form whether MSTC has to pay or not to pay.

Govind Saboo: Thank you Sir.

Moderator: Thank you. Next question is from the line of Rushabh Shah from Equirus Securities. Please

go ahead.

Rushabh Shah: Congratulations on the good set of numbers. I just wanted to ask how has been the

realization rates for the e-commerce segment I think so last quarter you provided that for scrap it was roughly 2% and for e-sale at 5%, has there been any change in those realization

rates?

Bhanu Kumar: The realization has improved in the first 9 months of this year and the outstanding service

charges in e-commerce have gone down in comparison to the closing. Average service charge is almost on the same lines as last year. There is not much change in that, but yes the

outstanding is not there, realization is much better.

Rushabh Shah: So I can say the 2% and roughly it has been around those levels itself?

Bhanu Kumar: Yes.

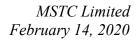
Rushabh Shah: Just wanted to ask on the balance sheet front though you have not published for these 9

months, has there been any improvement on the trade receivables front I think it was 17 billion in the last quarter and now after this provision and a further decline in trading

business has there been any improvement on that part?

Subrata Sarkar: I am telling you one thing. So regarding the balance sheet particularly the trade receivable

front, there is not much of change because on the cash and carry segment, we have stopped





doing business and other trade receivables that as sound as it was like 110% BG segment, associate segment and the e-commerce of course. So if we are typically healthy on all these segments, of course, there are a little bit of thing in the cash and carry thing that already explained earlier so we have now got a provisioning policy as explained by our CMD. With this thing we will make it sure that typically we will keep on providing on a conservative basis so that in any particular reporting period there is not much of effect in the profitability of the company so balance sheet is almost as healthy as it was in the last quarter.

Rushabh Shah:

Got it and then just one final question has there been any efforts made for further recovery for the provisions we have made I think in the last quarter there was some recovery?

Subrata Sarkar:

Let me tell you we are continuously on the endeavor to recover the money from that trade receivables issue that we have been providing for. So that is on the right path as and when it is there so because you have to appreciate the legal process that is available and the remedies that we have available with our Company within the legal framework of the country so we are on the continuous endeavor and as and when it is there of course we will let you know Sir. We are on the job Sir. That is much we can assure you.

Rushabh Shah:

Perfect. That is all from my side. Thank you so much.

Moderator:

Thank you. Ladies and gentlemen, we have time to take one last question. The next question is from the line of Abhishek Agarwal from Prithvi Finmart. Please go ahead.

Abhishek Agarwal:

Sir my followup question again to SCB case just to have a better clarity, okay. At that recovery proceeding what the DRT has ordered that for attachment of all the immovable property of our Company for the recovery proceeding, so because as they have set aside the order of Mumbai High Court, so now they can take this recovery proceeding or how it will go because we are not getting on this point?

Subrata Sarkar:

Yes. So regarding this recovery proceeding we are taking all the legal stage so as of now, as of the last time that as you rightly pointed out Supreme Court has pointed out that the sale will not be confirmed without order of the Honorable Supreme Court, but as of now we are taking all the stage that is available with us and we will come up very soon with all these remedies that we have taken and very soon and it will be in the public domain.

Abhishek Agarwal:

Suppose, in a worst case, if it is not in favor so we will pay these 200 Crores or they will initiate the recovery proceeding in the worst case or if case is not in our favor?

Subrata Sarkar:

It is difficult to tell all these things because it is a professionally managed company and that too is the Government of India undertaking. So that our promoter is the Honourable



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President of India so whatever the court verdict and all these things will be there, it will put up for their approval and all these things. It will be taken up here by the Board and all these things, and whatever their decision will come we will have to pay, whether not to pay, whatever thing, but since I think it is a power of court now to decide and take the cognizant on this issue.

Abhishek Agarwal: So that will not impact our financial stability?

Subrata Sarkar: Yes.

Abhishek Agarwal: Okay, done Sir. Thank you.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the

conference over to the management for closing remarks. Over to you.

S K Gupta: Thanks all the friends. I am happy our investors are taking so keen interest in the company,

its business model, its financial, legal issues, in fact your questions, your queries will always give us more ideas for improvement of our services and investor confidence. I am sure our investors will keep confidence in the company, its future growth, and we in MSTC as a team are striving hard as I said earlier also for the satisfaction of all the clients, customers as far as our services are concerned and get better revenue for the company so that our shareholders get good value for their investments in the company. With that word I

will conclude. Thank you once again. Thank you.

Subrata Sarkar: Thanks a lot.

Bhanu Kumar: Thank you.

Moderator: Thank you. Ladies and gentlemen, on behalf of Equirus Securities, that concludes today's

conference call. Thank you for joining us. You may now disconnect your lines.