

एम एस टी सी  
लिमिटेड  
(भारत सरकार का उपक्रम)



**MSTC**  
**LIMITED**  
(A Govt. Of India Enterprise)

CIN : U27320WB1964GOI026211

225C, A.J.C BOSE ROAD, KOLKATA - 700 020, INDIA

PHONE : 91-33-2290-0964, 2287-9627 / 7557 / 0568

FAX : 2287-8547/2290-7211/2281-3089, 2287-4915(ERO)

website : [www.mstcindia.co.in](http://www.mstcindia.co.in) • [www.mstcecommerce.com](http://www.mstcecommerce.com)

30<sup>th</sup> May, 2019

MSTC/CS/01/SE/1798

1. The Dy. Manager (Listing)  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 023.  
(Scrip Code: 542597)
2. The Manager, Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex  
Bandra (E), Mumbai 400 051  
(Scrip Code: MSTCLTD)

Dear Sirs,

**Sub: Media Release- Stand Alone and Consolidated Audited Financial Results for the quarter/year ended 31<sup>st</sup> March, 2019 and Intimation of conference call with analyst**

In continuation of our yesterday letter on the Standalone and Consolidated Financial Results for the quarter and year ended 31<sup>st</sup> March, 2019 enclosed please find a copy of Media Release issued by the Company in this Regard. The media release will also be available on the Company's web site 'www.mstcindia.co.in'.

Further Pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 it is hereby notified that MSTC Limited shall participate in a conference call to discuss the financial performance of the Company for the Quarter and year ended on 31<sup>st</sup> March, 2019 which is scheduled to held on 31<sup>st</sup> May, 2019 at 11.00 a.m. The Conference call invite is attached herewith.

This is for your information and records.

Thanking you,

Yours faithfully,

For MSTC Limited

  
(Ajay Kumar Rai)  
Company Secretary & Compliance Officer

Encl: As Above

Kolkata, May 30<sup>th</sup>, 2019

### Result update

MSTC Limited announced its audited consolidated and standalone financial results for the Quarter and Financial year ended March 31, 2019. Key highlights of the same are as under:

*(in INR million unless otherwise specified)*

Particulars	Consolidated		
	FY19	FY18	% chg.
Total value of goods traded through MSTC eco-system (INR bn)	1,112.7	820.1	35.7%
<b>Total Revenue</b>	<b>33,403.2</b>	<b>27,931.5</b>	<b>19.6%</b>
of which Marketing	27,482.8	22,627.5	21.5%
of which e-commerce	2,133.3	1,900.6	12.2%
of which Scrap recovery and allied jobs	3,782.2	3,398.3	11.3%
of which Others (unallocated)	5.0	5.1	(1.8%)
<b>EBITDA (pre-provisioning)<sup>1</sup></b>	<b>3,770.8</b>	<b>3,246.1</b>	<b>16.2%</b>
Provisions and write-offs (net of provisions written-back)	5,391.3	1,264.0	326.5%
Profit/ (Loss) before Tax	(2,374.5)	1,171.5	NA
Profit/ (Loss) for the period	(3,071.0)	772.2	NA
EPS (in INR)	(43.6)	11.0	NA
<b>Cash Profit<sup>2</sup></b>	<b>2,467.1</b>	<b>2,160.1</b>	<b>14.2%</b>

<sup>1</sup> EBITDA (pre-provisioning) refers to EBITDA less provisions for the period

<sup>2</sup> Cash Profit is computed as EBITDA (pre-provisions) less expenses towards Interest and Tax

### **Key highlights:**

#### Continued strength in e-commerce business:

Company crossed INR 1,100bn in terms of value of goods transacted through its trading and e-commerce verticals. This is a ~36% growth over the value of goods traded in FY18. The growth in e-commerce business was higher at ~43% driven by ~60% growth in value of goods transacted through e-procurement and ~55% growth in value of goods transacted through e-sales vertical.

#### Key business developments:

1. Entered into agreement with Reliance Industries Ltd for providing e-commerce service for disposal of scrap etc; intends to expand into other group companies;
2. Shri V P Haran and Shri G C Chaturvedi has been appointed as Independent External Monitor to MSTC;
3. Developed e-tendering software for Indian Oil Corporation to facilitate import of petroleum products;
4. Entered into e-procurement agreement with Kerala State Electricity Board;
5. Entered into e-procurement agreement with Uttar Pradesh Rajya Vidyut Utpadan Nigam;
6. Entered into agreements with Assam forest department for minor mineral blocks;
7. Conducted auctions for Hyderabad Metropolitan Development Authority (HMDA) for 67 open plots netting HMDA INR 6,770mn;
8. Assisted various banks in e-auction of their NPAs; potential to become a large business opportunity

*Bad debts and recoveries:*

During FY19, MSTC provided for doubtful receivables of ~INR 4,320mn and wrote off ~INR 1,100mn. These receivables principally pertain to period prior to FY16 and in restated financials included in the Prospectus for the IPO, a large part of the same had been provided for in prior periods.

The Company has initiated proceedings at various forums to recover such doubtful receivables and management remains hopeful of atleast partial recovery.

*Outlook*

Management anticipates strong growth to continue in e-commerce business backed by continuity in government policies, thrust on transparency and increased penetration across private sector clients.



**Equirus Securities**

**Invites you for a conference call**

**With the management of**



**MSTC Ltd**

**To discuss the company's results for 4QFY19**

**On**

**31<sup>st</sup> May, 2019 (Friday) at 11:00 am (IST)**

**Management Team:**

**Mr. B.B. Singh – Chairman and Managing Director**

**Ms. Bhanu Kumar – Director Commercial**

**Mr. Subrata Sarkar – CFO and Director Finance**

**Dial in numbers**

**Universal Access Number: +91 22 6280 1224**

**Toll Free Number: +91 22 7115 8125**

**Local Access: +91-7045671221**

**International Toll Free Numbers**

<b>USA:</b>	<b>18667462133</b>
<b>UK:</b>	<b>08081011573</b>
<b>Singapore:</b>	<b>8001012045</b>
<b>Hong Kong:</b>	<b>800964448</b>

**International Toll Numbers**

<b>USA:</b>	<b>13233868721</b>
<b>UK:</b>	<b>442034785524</b>
<b>Singapore:</b>	<b>6531575746</b>
<b>Hong Kong:</b>	<b>85230186877</b>

**For further information, please contact:**

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**Subham Sinha**

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**[subham.sinha@equirus.com](mailto:subham.sinha@equirus.com)**

May 30, 2019



# Earnings Release Q4FY19 and FY19

# Disclaimer

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*The Company's actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.*

A photograph of a server room with rows of server racks on both sides, illuminated by blue light. The racks are filled with server units, many of which have small lights glowing. The perspective is looking down a long aisle. A semi-transparent white box with a grid pattern is overlaid on the left side of the image, containing the text "Key Highlights".

# Key Highlights

# Key Highlights

## **Operational Performance**

*During the year, the Company crossed INR 1,100bn in terms of value of goods transacted through its marketing and e-commerce verticals which is ~36% growth over the value of goods traded in FY18; growth in value of goods transacted through its e-commerce vertical was higher at ~43%.*

## **Financial Performance (Consolidated)**

- *Revenues of INR 33,403.2mn in FY19 vis-à-vis revenues of INR27,931.5mn in FY18; growth of ~20%*
- *Pre-provision PBT of INR 3,016.8mn in FY19 vis-à-vis INR 2,435.5mn in FY18; growth of 23.9%*
- *Cash profits in FY19 of INR2,467.1mn vis-à-vis cash profits of INR2,160.1mn in FY18; growth of ~14%*

## **Business update**

- *Entered into agreement with Reliance Industries Ltd for providing e-commerce service for disposal of scrap etc; intends to expand business to other private sector companies;*
- *Developed e-tendering software for Indian Oil Corporation (IOCL) to facilitate import and export of petroleum products;*
- *Entered into e-procurement agreement with Kerala State Electricity Board;*
- *Work order received from Uttar Pradesh Rajya Vidyut Utpadan Nigam for e-procurement services;*
- *Entered into agreement with Assam forest department for minor mineral blocks;*
- *Conducted auctions for Hyderabad Metropolitan Development Authority (HMDA) for 67 open plots netting HMDA INR 6,770mn;*
- *Shri V P Haran and Shri G C Chaturvedi has been appointed as Independent External Monitor to MSTC.*




## Consolidated Financials Highlights-FY19

Particulars (INR mn, unless stated)	FY18	FY19	% chg.
<b>Total value of goods traded through MSTC eco-system (INR bn) (Standalone)</b>	<b>820.1</b>	<b>1,112.7</b>	<b>35.7%</b>
<b>Total Revenue</b>	<b>27,931.5</b>	<b>33,403.2</b>	<b>19.6%</b>
<i>of which Marketing</i>	<i>22,627.5</i>	<i>27,482.8</i>	<i>21.5%</i>
<i>of which E-commerce</i>	<i>1,900.6</i>	<i>2,133.3</i>	<i>12.2%</i>
<i>of which Scrap recovery and allied jobs</i>	<i>3,398.3</i>	<i>3,782.2</i>	<i>11.3%</i>
<i>of which Others</i>	<i>5.1</i>	<i>5.0</i>	<i>(1.8%)</i>
<b>EBITDA (pre-provisioning)<sup>1</sup></b>	<b>3,246.1</b>	<b>3,770.8</b>	<b>16.2%</b>
Provisions and write-offs <i>(net of provisions written-back)</i>	1,264.0	5,391.3	326.5%
<b>Profit before Tax</b>	<b>1,171.5</b>	<b>(2,374.5)</b>	<b>NA</b>
<b>Profit after Tax</b>	<b>772.2</b>	<b>(3,071.0)</b>	<b>NA</b>
<b>EPS (in INR)</b>	<b>11.0</b>	<b>(43.6)</b>	<b>NA</b>
<b>Cash Profit<sup>2</sup></b>	<b>2,160.1</b>	<b>2,467.1</b>	<b>14.2%</b>

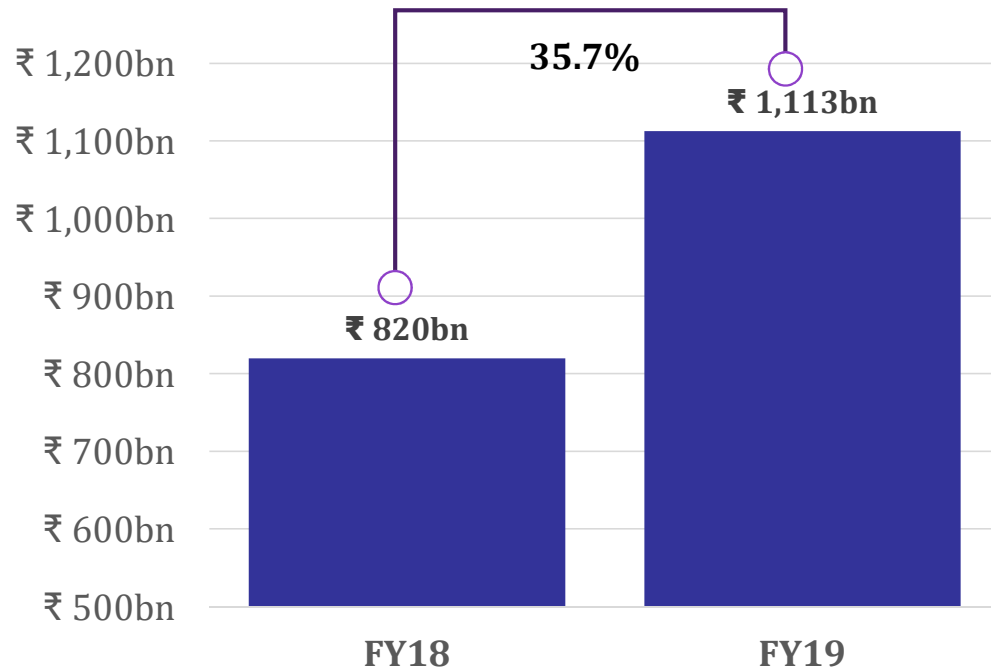
1. EBITDA (pre-provisioning) refers to EBITDA less provisions for the period

2. Cash Profit is computed as EBITDA less expenses made towards Interest and Tax

A photograph of a server room with rows of server racks on both sides, illuminated by blue light. The racks are filled with server units, many of which have small lights glowing. The perspective is looking down a long aisle between the racks. The ceiling has some recessed lighting fixtures.

# Performance Analysis

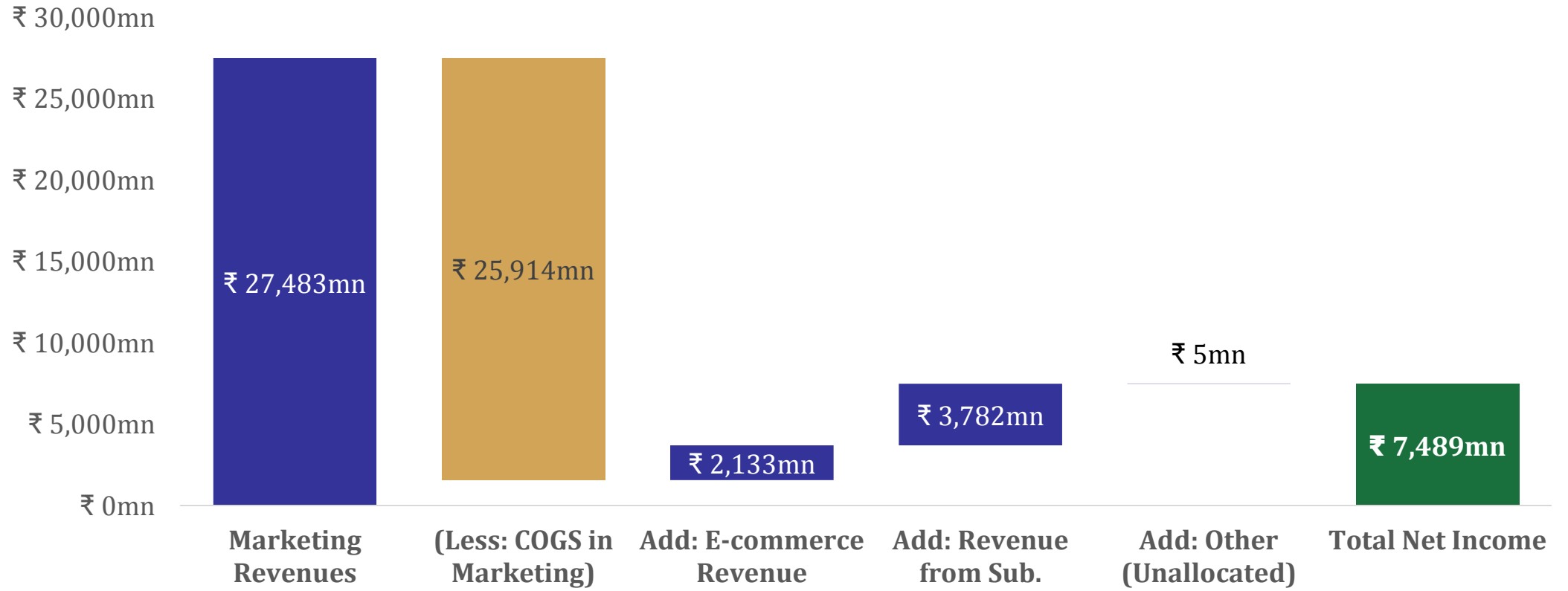
## Value of goods transacted – FY19 (INR bn) (Standalone)



*E-commerce business grew by 43% led by ~60% growth in e-procurement, ~55% growth in e-sale, ~27% growth in value of scrap traded while value of coal and iron-ore traded reduced marginally and value of goods transacted in marketing reduced by ~18%*

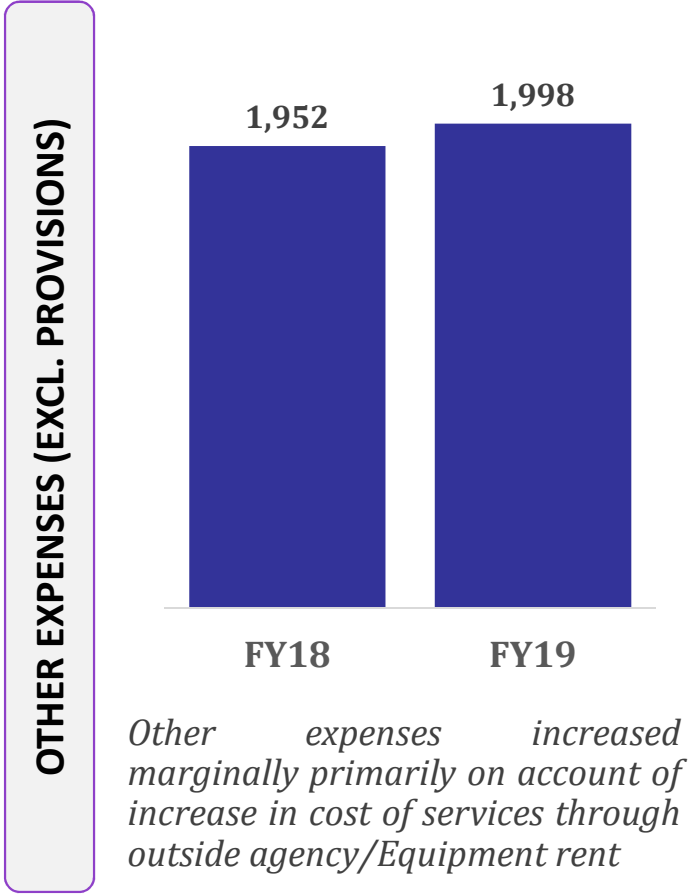
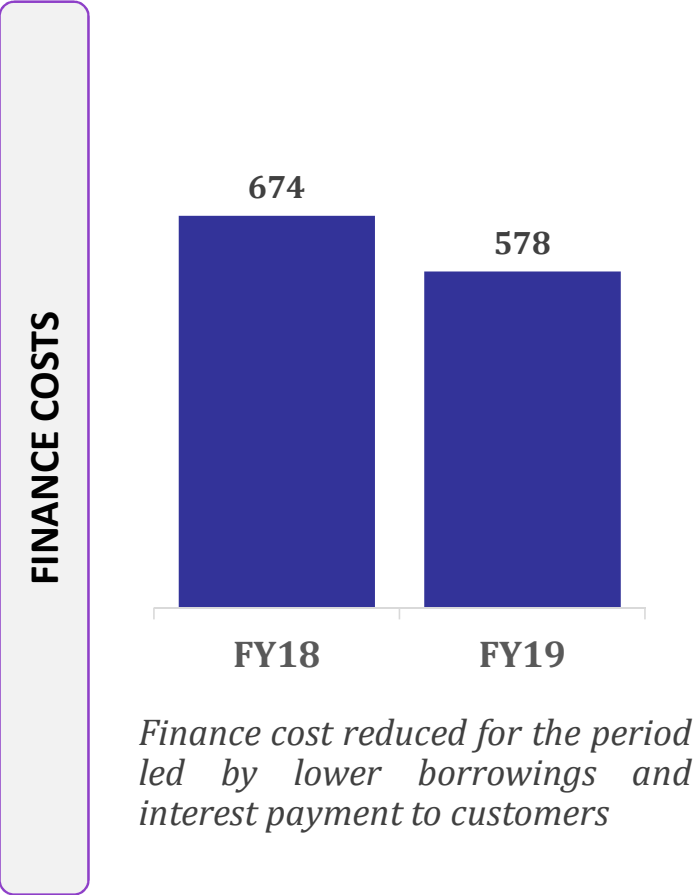
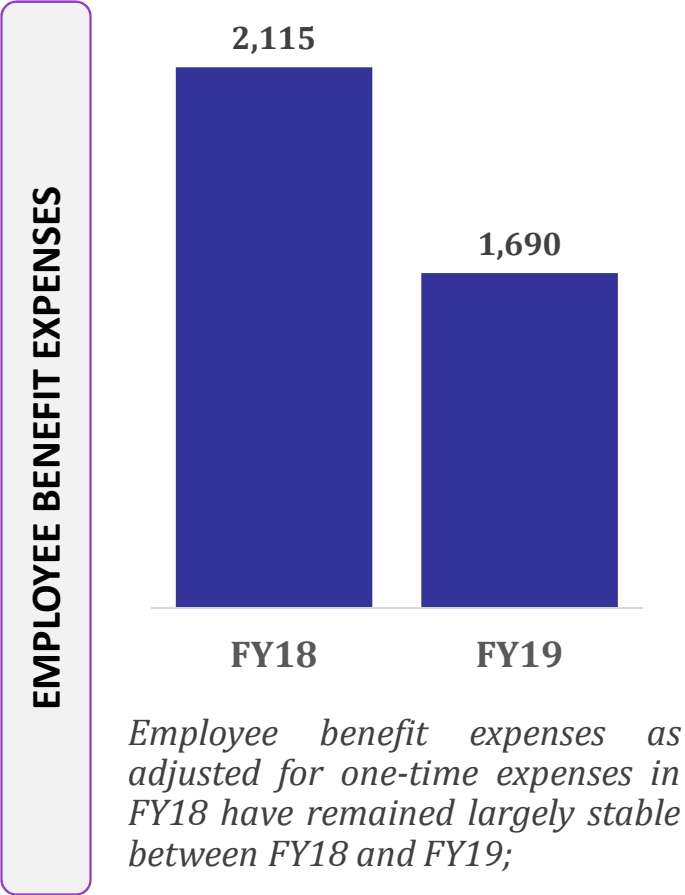
# Net Revenues – FY19 (INR mn)

(Consolidated)



# Other key financial parameters (INR mn)

(Consolidated)




## Pre-provisioning profits and Cash profits

Particulars (INR mn)	FY18	FY19
<b>Profit before Tax (as per audited financials)</b>	<b>1,171.5</b>	<b>(2,374.5)</b>
<i>Less: Provisions no longer required written back</i>	4,718.2	29.6
<i>Add: Bad debts written off</i>	4,594.1	1,100.8
<i>Add: Allowance for Bad and Doubtful Advances/ Debts</i>	1,388.1	4,320.0
<b>Pre-provisioning PBT</b>	<b>2,435.5</b>	<b>3,016.8</b>
<i>Add: Depreciation</i>	123.9	146.9
<i>Less: Taxes for the period</i>	399.3	696.6
<b>Cash Profit</b>	<b>2,160.1</b>	<b>2,467.1</b>

## Provision and write-off related expenses

Particulars (INR mn)	FY19	Treatment in Restated Financials
<b>Provisions for prior periods</b>		
<i>Adhunik Metaliks Limited</i>	1,100.8	Already factored in Restated Fin.
<i>Concast Steel and Power Limited</i>	1,908.4	Already factored in Restated Fin.
<i>Provision pertaining to receivables outstanding since FY12</i>	1,739.2	Already factored in Restated Fin.
<i>Global Coke Ltd.</i>	179.8	Already factored in Restated Fin.
<i>Jai Balaji Ltd.</i>	315.7	
<i>Topworth Steels &amp; Power Ltd.</i>	171.8	
<b>Total provisioning in FY19 for receivables from prior periods</b>	<b>5,420.8</b>	
<b>Provision pertaining to receivables for FY19</b>	<b>Nil</b>	
<b>Total provisioning</b>	<b>5,420.8</b>	

A photograph of a server room with rows of server racks on both sides, illuminated by blue light. The racks are filled with server units, many of which have small lights glowing. The perspective is looking down a long aisle between the racks. The ceiling has some ventilation grilles. The overall atmosphere is futuristic and high-tech.

Developments  
during the period



## Key developments during the period

- *Entered into agreement with Reliance Industries Ltd for providing e-commerce service for disposal of scrap etc; intends to expand business to other private sector companies;*
- *Developed e-tendering software for Indian Oil Corporation (IOCL) to facilitate import and export of petroleum products;*
- *Entered into e-procurement agreement with Kerala State Electricity Board;*
- *Work order received from Uttar Pradesh Rajya Vidyut Utpadan Nigam for e-procurement services;*
- *Entered into agreement with Assam forest department for minor mineral blocks;*
- *Partnered Mumbai Traffic Police for 'Operation Khatara' – drive to dispose off abandoned vehicles in Mumbai;*
- *Opened new office at Dehradun, Uttarakhand*
- *Conducted auctions for Hyderabad Metropolitan Development Authority (HMDA) for 67 open plots netting HMDA INR 6,770mn;*
- *Shri V P Haran and Shri G C Chaturvedi has been appointed as Independent External Monitor (IEM) to MSTC Limited;*
- *MSTC acted as service provider for the inspection & e-auction of rough diamonds of NMDC for about 22,400 Carats of rough diamonds;*
- *E-auction of various agro commodities through its e-Rakam portal viz. Bajra, Makhana, pulses, onion, groundnuts etc. and large quantities of pulses and groundnut sold for NAFED.*

A photograph of a server room with rows of server racks on both sides, illuminated by blue light. The racks are filled with server units, and the floor is highly reflective. The perspective is looking down a long aisle towards the end of the room.

# About MSTC

# MSTC Limited

A leading B2B e-Commerce player in India

*Leading B2B e-commerce company in India*

*Experience of over 100,000+ auctions with ~35,000 auctions in FY19 itself*

*Nominated service provider for all major mineral blocks and minor mineral blocks of a few states*

*India's 1st organized vehicle recycler*

*Well established track record of offering customized e-commerce solutions*

*Mini Ratna Category-I PSU under the Ministry of Steel, Government of India*

*Developed portal for EXIM of petro-products, e-Rakam portal etc.*

*At forefront of various Transparency initiatives of GoI*



Summary financials  
*Consolidated*

# Summary P&L Statement

Particulars (INR mn)	Standalone		Consolidated	
	Q4 FY18	Q4 FY19	FY18	FY19
Revenue from operations	8,526.2	7,344.4	22,654.0	32,920.0
Other Income	4,922.5	89.2	5,277.5	483.2
<b>Total Revenue</b>	<b>13,448.7</b>	<b>7,433.7</b>	<b>27,931.5</b>	<b>33,403.2</b>
Expenses				
Purchases of Stock-in-Trade/Operational Consumables & Spares	7,221.3	6,540.1	15,192.8	25,914.3
Changes in stock of finished goods, work-in-progress and stock-in-trade	-	-	707.4	-
Employee benefit expense	176.5	158.4	2,114.9	1,690.1
Finance costs	172.9	80.4	673.6	578.0
Depreciation and amortisation expense	3.0	3.4	123.9	146.9
Provisions and writ-offs	5,982.2	487.5	5,982.2	5,420.8
Other expenses	155.8	120.4	1,952.1	1,998.5
Total Expenses	<b>13,711.7</b>	<b>7,390.3</b>	<b>26,746.9</b>	<b>35,748.6</b>
Share of profit/(loss) of Joint Ventures	-	-	<b>(13.1)</b>	<b>(29.1)</b>
<b>Profit/(Loss) before tax</b>	<b>(263.0)</b>	<b>43.4</b>	<b>1,171.5</b>	<b>(2,374.5)</b>
Tax expense	(115.6)	(192.7)	399.3	696.6
<b>Profit/(Loss) for the period</b>	<b>(147.4)</b>	<b>236.1</b>	<b>772.2</b>	<b>(3,071.0)</b>

## Summary Balance Sheet (consolidated)

Particulars (INR mn)	FY18	FY19
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	677.1	750.6
Capital Work in Progress	104.4	231.8
Intangible Assets	13.3	11.5
Investment in Subs/ JVs, Associates	88.0	138.8
Financial Assets		
Non-Current Tax Assets	571.5	582.4
Deferred Tax Assets (net)	2,815.8	2,615.3
Other Non-Current Assets	104.0	130.8
<b>Total Non-Current Assets</b>	<b>4,934.1</b>	<b>4,733.7</b>
<b>Current Assets</b>		
Inventories	41.6	60.4
Financial Assets		
Trade Receivables	39,815.3	18,697.3
Cash and Cash Equivalents	1,758.6	962.2
Other Bank Balances	3,789.4	3,204.7
Other Financial Assets	517.7	483.0
Other Current Assets	143.6	105.0
Assets Classified as Held for Sale	25.9	30.8
<b>Total Current Assets</b>	<b>46,092.2</b>	<b>23,543.4</b>
<b>TOTAL ASSETS</b>	<b>51,026.3</b>	<b>28,277.1</b>

Particulars (INR mn)	FY18	FY19
<b>EQUITY</b>		
Equity Share Capital	352.0	704.0
Other Equity	6,957.3	3,175.7
<b>Total Equity</b>	<b>7,309.3</b>	<b>3,879.7</b>
<b>Non-Current Liabilities</b>		
Financial Liabilities	12.0	19.4
Provisions	893.3	706.2
Other Non-Current Liabilities	73.7	80.6
<b>Total Non-Current Liabilities</b>	<b>979.1</b>	<b>806.2</b>
<b>Current Liabilities</b>		
Financial Liabilities		
Borrowings	7,661.8	6,137.1
Trade Payables	26,038.2	9,523.5
Other Financial Liabilities	8,556.9	7,329.6
Other Current Liabilities	265.8	284.5
Provisions	212.7	314.5
Liabilities directly associated with assets classified as held for sale	2.5	2.0
<b>Total Current Liabilities</b>	<b>42,737.9</b>	<b>23,591.2</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>51,026.3</b>	<b>28,277.1</b>

## Summary Cash Flow statement (Consolidated)

<b>Particulars (INR mn)</b>	<b>FY18</b>	<b>FY19</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) Before Tax	1,171.5	(2,374.5)
Depreciation / Amortisation of non-current Assets	123.9	146.9
Finance Cost	673.6	578.0
Interest Income recognised in profit & loss	(267.3)	(424.5)
Provision no Longer Required Written Back	(4,718.2)	(29.6)
Bad Debt Witten Off	4,594.1	1,100.8
Provision for Bad and Doubtful Advances/Debts	1,388.1	4,320.0
Liability written Back	(281.7)	-
<b>Operating profit before Working Capital changes</b>	<b>2,683.5</b>	<b>3,317.1</b>
Adjustments for working capital	(2,005.0)	(1,846.0)
Direct Taxes Paid (Net of Refund)	(466.6)	(487.0)
<b>Net cash from Operating Activities (A)</b>	<b>211.9</b>	<b>984.1</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for Property, Plant & Equipment	(262.9)	(392.2)
Proceeds from disposal of Property Plant & Equipment	24.8	46.3
Investment In Fixed Deposits	932.3	584.7
Investment in Joint Venture	(61.7)	(50.8)
Interest received	208.2	439.5
<b>Net cash (used) in Investing Activities (B)</b>	<b>840.7</b>	<b>627.4</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Short term borrowings	30.3	(1,275.4)
Interest Paid	(673.9)	(578.6)
Dividend Paid (including tax on dividend)	(300.8)	(314.0)
<b>Net cash used in Financing Activities (C)</b>	<b>(944.4)</b>	<b>(2,168.1)</b>
<b>Net increase/(decrease) in Cash &amp; Cash equivalents (A+B+C)</b>	<b>108.2</b>	<b>(556.5)</b>


The logo for MSTC Limited, featuring a stylized 'M' icon followed by the text 'MSTC Limited' in a white sans-serif font on a black rectangular background.

MSTC Limited

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# Thank You

 Subrata Sarkar

 +91-033-2281-3088

 [www.mstcindia.co.in](http://www.mstcindia.co.in)

