



EXIM ROUTES LIMITED

(Formerly- Exim Routes Private Limited)



421, 4th Floor, Suncity Success Tower,
Sector-65 Golf Course Road Extension,
Gurugram-122101, HR (INDIA)



+91 1244103091

GSTIN: 06AAFCE4612E1Z3

CIN: L51909HR2019PLC115525

Exim Routes Limited

Q4 FY 2026 Earnings Conference Call

June 08, 2026

Management: Mr. Manish Goyal (Executive Director & CEO)

Mr. Anshul Bansal (CFO)

Mr. Umar Rauf (CTO)





Moderator:

Ladies and gentlemen, good day and welcome to the Q4 FY '26 Conference Call of EXIM Routes Limited.

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

I now hand the conference over to Mr. Manish Goyal. Thank you and over to you, sir.

Manish Goyal:

Thank you, Akash. Good evening, everyone. I am Manish Goyal – Founder and CEO of EXIM Routes Limited, and thank you for joining our First Earnings Call as a listed company. I am grateful to all our shareholders and the entire EXIM Routes team for being part of this journey. With me on this call, we have Mr. Anshul Bansal – our CFO, and Mr. Umar Rauf – our CTO.

Today, I will cover three areas in this call.

- First, the journey and business model of EXIM Routes.
- Second, our FY '26 growth pillars.
- And third, our long-term vision around the company and our technology platform.

And after that, our CFO will take you through the financial highlights and key numbers in detail. Let me start with where this journey began. Me and my team come from a paper engineering background from IIT Roorkee, and I work closely with global leaders in paper technology and also have good on-ground recycling industry experience.

During early years, two questions always were with me in my mind. First, India is one of the biggest users of recyclable paper raw material. The country imports 6 million tons, that is 600 crore kgs of recyclable paper worth around \$1.5 to \$2 billion annually. And that too from 50 plus countries. But despite this scale, there was no strong Indian company presence in this global supply chain.

The second question was even more important. This supply chain has many moving parts, starting from sourcing from recycling collection yards, quality checking, price discovery, shipping line management, products management, shipment tracking, and then final delivery cost to mills. And traditionally, all these parts were working in silos.

For a recycling industry mill, lending cost is extremely important because raw material cost defines their final profitability. So, from sourcing to execution, industry needed a partner who could connect all these dots. With EXIM Routes, industries are now empowered to source more than 25 countries with better visibility on inventory, costs, and delivery timelines.

So, our objective was simple, to create an intelligent bridge between worldwide sources of recyclables and the Indian recycling industry. And this becomes even very important during global disruptions. For example, in a current war-like situation where supplies from Middle Eastern countries got impacted, EXIM Routes quickly shifted sourcing to alternate countries





EXIM ROUTES LIMITED

(Formerly- Exim Routes Private Limited)



421, 4th Floor, Suncity Success Tower,
Sector-65 Golf Course Road Extension,
Gurugram-122101, HR (INDIA)



+91 1244103091

GSTIN: 06AAFCE4612E1Z3

CIN: L51909HR2019PLCT15525

and still managed timely delivery and their costings as well. So, for industries, we are not just a supplier anymore. We are becoming a procurement and a risk management partner.

For FY '26, our growth strategy is built on four key pillars. The first pillar is industry relationships and stronger global recycling yards control. EXIM Routes is working with more than 30 paper mills in India and sources more than 150,000 metric tons of raw material annually from more than 25 countries. To give you a sense of our scale as we speak, EXIM Routes is handling almost 20,000 kgs of recyclable material every hour. On the recycling collection yard side, our focus is to improve sourcing quality and explore strategic yard partnerships in an asset-light manner.

The second pillar is shipping logistics strength. 30% of the cost center in our business is shipping logistics management. And it is a big task. There are many issues like containers availability, documentation problems and transit times which directly impacts the margins. We are currently moving around 6,000 containers annually, supported by more than 25 global logistic partners. And our aim is to scale to 10,000 containers this year.

Now coming to third pillar, which is capital efficiency. As we scale revenue, we don't want to put unnecessary pressure on the balance sheet. We have already started the process of onboarding invoice financing partners with initial limits of 2.5 crores and we aim it to expand to 15 crores this year. This will help us creating a more capital-efficient operating model.

The fourth and most important pillar is our technology platform, EXIM Routes Intelligence System, ERIS. Many people ask us, is EXIM Routes a trading company or a technology company? Execution and operation capabilities remain critical in our industry. But going forward, intelligence and data will become the real differentiator. So, our answer is very clear. EXIM Routes is a technology-enabled recycling infrastructure company. We are building technology on the top of real supply chain and real operation problems. And that is our strength.

So, ERIS is not just a software product. It is an intelligence and execution ecosystem. It brings together global data with execution power, which includes shipping logistics, products movement, inventory, shipment tracking, quality and price analytics, and documentation workflow.

Today, ERIS has visibility of nearly 1 million tons of inventory in the system, worth around \$300 million annually. And that is 20% of the Indian import market. And we are currently converting around 10% to 12% of this visible opportunity into actual business.

Earlier, our manual sales of our company used to take two to three days. But now with ERIS, the same process can happen in a matter of minutes. And this happens because of two reasons.

- First is price discovery.
- Second is our logistic intelligence.

Also, we are saving a lot of time and manpower because we have automated all the documentation work.

With better inventory visibility and logistic intelligence, we have also started expanding beyond India. We are now able to serve European and African mills as well, which is helping EXIM Routes build a stronger global footprint. Going forward, we plan to onboard more shipping





EXIM ROUTES LIMITED

(Formerly- Exim Routes Private Limited)



421, 4th Floor, Suncity Success Tower,
Sector-65 Golf Course Road Extension,
Gurugram-122101, HR (INDIA)



+91 1244103091

GSTIN: 06AAFCE4612E1Z3

CIN: L51909HR2019PLCT15525

partners and invoice financing partners and also another recyclable products directly into our ecosystem.

ERIS will collect deeper data on inventory, shipping, logistics, and global macro events. The vision is to build a connected recycling ecosystem where all the vendors can come together through technology and execution and help the entire ecosystem making faster decisions and reducing their risk.

With this, I would now like to hand over to Anshul Bansal, our CFO, who will take you through the financial highlights. Thank you.

Anshul Bansal:

Thank you, Manish, and good afternoon, good evening to everyone. I am Anshul Bansal, the CFO for EXIM Routes.

Over the next few minutes, I will take you through our FY '26 Financials and the Balance Sheet. One small point before I begin. Unless I say otherwise, every figure that I will be quoting is on a consolidated group basis. The next 10-15 minutes will be structured in the following way.

I will start with the headline numbers, our margins, our business segments, then the balance sheet and debt, cash, and working capital position, how we have used our IP proceeds, and to close, a quick word on returns and our FY27 outlook. Obviously, I will signpost as I go.

So, to start with the headline numbers, revenue from operations for FY26 was Rs. 207 crores, which was up almost 72% year-on-year, versus Rs. 121 crores for FY25. Our EBITDA for FY26 was Rs. 14.1 crores, up almost 38%.

Profit after tax was Rs. 10.2 crores, approximately up 35%. And earnings per share rose to Rs. 6.05, up from Rs. 5.22. And that figure has already been adjusted for our minority interest, as well as for the approximately 50 lakh new shares that we issued as part of our December IPO. So, in a nutshell, our top line nearly doubled, and our bottom line grew by about a third.

On margins, our EBITDA margin moved from 8.5% to 6.8%. Now, this is basically because underlying numbers are actually positive, because our core trading margin, which is our gross profit from operations, before cost of services, it actually increased from 19.4% to 22.4%, which is a full 3 percentage points of improvement from FY26 versus FY25. The compression that you see in the EBITDA line comes from one line item, which is the cost of services, which is largely trade and logistics driven.

The main driver of this was a deliberate shift of our sourcing mix towards UK and European markets that carry a higher logistic intensity and cost. But it gives our mills and our customers the quality and consistency that they want. Also, as most people are aware, oil prices globally have been elevated in the last quarter, which have further pushed freight costs and cost of services across the route.

And thirdly, as well, within EXIM, we piloted a working capital model with a couple of suppliers, wherein we basically got them to put in the working capital model, and in exchange took a very low commission-based fee, which further also compressed the EBITDA line that you are seeing. But overall, this is how I would read it. Our underlying trading economics are solid and actually improved by 3 percentage points. And the freight line, which is cyclical, not structural, is





centrally masked EBITDA line coupled with some working capital effects. That brings me to the other part of our P&L, which is our operating leverage.

Now, as I mentioned, we grew our revenue by 72%, but over the same period, our below-the-line operating costs actually fell from about 3.8% of revenue to 3.1%. And this includes our employee costs that also came down from about 1.7% to 1.4%. These efficiencies that you are seeing are directly a result of ERIS, which Manish already touched upon earlier in his speech. ERIS is doing the work that would otherwise need more people and more vendors in a more automated and faster way. And this is the core engine of our model, that as we scale, we further bring these efficiencies and costs down.

Moving on to our two business segments, broadly speaking, you will see there are two segments in our business that are clearly interlinked. The first is what we call our product segment, which is the core trading business. That did about Rs. 203 crores in revenue at around 5.5 to 6% operating margin. It is, by design, a high-volume, high-growth segment, and the core of what we do.

This also drives our second segment, which is our services segment, that will include revenues from our ERIS platform, our logistic services, as well as our management consultancy services. And this segment grew from about Rs. 3.9 crores to roughly Rs. 4.4 crores, which is a 13% increase. The core point is that this services segment operates at a much higher margin versus the product segment.

And the mechanism is quite simple. The trading core is the heart of our business model. As it grows, it drives the services layer. As more people use it, there's more partners, more logistic services built on top of it. And that is what we want to grow progressively over time, which can also drive our overall profit mix and bottom-line numbers.

On to our balance sheet. Now, our balance sheet is much stronger versus last year. Our net worth has roughly tripled to Rs. 68.7 crore rupees following our December IPO. And also, we are net cash positive. As of 31st March, the total debt that we had was close to Rs. 16 crores against bank balances of more than Rs. 17 crores.

And you would have also seen in our financials that trade receivables have grown as well, from about Rs. 33 crores to Rs. 59 crores, along with supply advances. And again, this is basically a growth-funded build, not a quality problem, which I will talk about in more detail when we come to a cash position in a few moments.

On our debt and leverage, our short-term borrowings have grown meaningfully this year, but I also want to put it in context with fee ratios. So, first and foremost, our interest service coverage ratio is actually around 15x, so extremely healthy. And our total debt to EBITDA is around 1 to 1.1x as well. Our debt-to-equity ratio is around 0.23, which is in line with the previous year. So, basically, we have ample headroom to take on more debt to grow as we choose to grow. So, we are conservatively financed, net cash positive, and with borrowing headroom which means that places us in a strong position for FY27 which brings me to working capital optimization.





So, two financing actions that we are already taking, which are basically important both in the context of FY26 and FY27. First is, we have recently closed a Rs. 20-crore debt facility with a Tier-1 bank, the first tranche of which is already being drawn last week, with a balance to follow over the coming quarter. This will basically help us grow and meet our intended business targets for FY27, but also replace some of the older, higher-cost borrowings that we have on our books currently, and will bring our overall finance costs down. It also extends our tenure, which is the right structure for a scaling working capital book business like EXIM Routes.

And the second financing action I want to draw everyone's attention to is around invoice financing. So, we have agreed terms with a leading invoice financing provider and expect to onboard them this month. The agreement is to start with an initial limit of Rs. 2.5 crores, and the target is to scale this to Rs. 15 crores throughout the year as we grow our receivables book, basically to let us turn our receivables faster into cash, so we can fund our growth without the balance sheet expanding one for one.

In a nutshell, the idea is we are set up for cheaper funding, faster receivables that increasingly fund themselves, and we move towards capital-efficient growth. In fact, if I were to be so bold, I would say that between these levers and our internal accruals, we do not foresee needing to raise further external capital to fund our working capital in the business until we are approaching Rs. 500 crores of revenue.

Now, moving on to our cash flow positions, our operating cash flow was negative in FY26, approximately minus 19 crores, against minus 5 crores the previous year, which basically is driven by doubling our trading book and our receiving supply advances have expanded ahead of collections.

So, again, to reiterate, this is a classic growth-funded working capital build and not a profitability issue. Now, specifically, if I go one level deeper, our working capital cycle did widen, but very modestly. Our debtor days on a closing basis were mostly flat, went from 99 to 103 days. And on an average basis, between FY25-26, went from 75 to 80, so not much movement over there.

On the payables side, our creditor days actually came down, but that was because we onboarded new sourcing yards who were on tighter terms to begin with as we onboarded them on the platform.

Again, to preempt what will bring the cycle back down, it is basically a combination of three things. Better supply terms as we scale volumes with these new yards that we have onboarded, the invoice financing program that I just mentioned and scaling that, and more tighter receivables discipline internally as we scale. In the medium term, our objective still remains to move towards operating cash flow positive as we scale.

On the IPO proceeds, a very quick word, we raised Rs. 43.7 crores, which net of expenses was around Rs. 37.2 crores. Of this, only Rs. 9 crores was earmarked for working capital, which has been fully deployed. Beyond that, Rs. 6.5 crores was earmarked for general corporate purposes, Rs. 7.1 crores earmarked for office space, and around Rs. 14.5 crores was allocated





to the ERIS platform. And most of this bill for Eris platform is actually still to be spent and to be deployed in stages over the next 12 to 18 months as we continue to build the platform.

The point is this. A very relatively small portion of our IPO proceeds was for working capital and only deployed at the very end of FY '26, which means you don't really see the impact of that on our FY '26 financials. And that is also why you will see that our returns on capital employed for FY '26 moved from 35% to 16%, and return on equity went from 30% to 15%. And our return on invested capital went from 16% to 9%. And all of this was basically driven by rebase lining because of the fresh IPO equity proceeds. So, as we again start to deploy all those funds throughout the year, you will see a positive movement on all of these capital issues.

One more flag to make as I move towards the growth outlook. The business that we are in is structurally seasonal. So, historically what you have seen and what you will see is that the business is structurally second-half weighted.

So, if I look at FY26 as an example, H1 generated about 30% to 35% of full-year EBITDA, and the second half was two weeks of H1. So, as you evaluate our business and the full-year outlook, I urge everyone to not analyze the first half run rate and look at it on a full-year basis which brings me to our outlook.

For the full-year FY27, our business target is 30% to 50% of revenue growth, top line and bottom line, aiming to hit 300 crores of revenue at the upper end. Now this broad range reflects the current geopolitical situation and logistics change. And obviously if that picture changes material in either direction, we will update you after the first half.

But as far as all the controllable levers are concerned, they're all moving the right way. Our core trading margin is expanding, and ERIS giving us operating leverage as we scale. The refinancing actions that we have taken bring our financing costs down and puts our working capital position in a strong place as we move forward.

So, again, to recap, our top line nearly doubled, our trading economics have improved on an underlying basis, our balance sheet is net cash, and the levers that are all in our control all point upwards.

Thank you, and with that, let me hand it back to our moderator, Akash, for the Q&A.

Moderator:

Thank you very much, sir. We will now begin the question-and-answer session. The first question comes from the line of Kanishk Gupta from SS Family Office. Please go ahead.

Kanishk Gupta:

My question currently relates to the cash conversion. As you can see, over the last few years, we have seen receivables grow materially faster than operating cash flow. That has resulted in reported earnings not translating into cash at the same pace. So, given that the company positions itself as a technology-enabled B2B platform rather than a capital-intensive trading business, could you please help us understand?

Anshul Bansal:

Manish, why don't I take this and then please feel free to add more color on the technology side. Thank you for the question. As I mentioned, the technology part helps us scale more efficiently as we grow, but inherently, this is still a very operational and execution-heavy business.





Now, you are right that our receivables have grown, but they are not growing at the same pace as our growth, right? And some of the actions that we have already taken for this year will help us make sure that we are converting the cash that we are getting in terms of receivables faster, right?

So, as an example, if I look at last year, we have more than doubled our book, essentially, and this is where the solutions around invoice financing and the new debt financing line that we have taken will help us move those actions better.

And one last thing to add as well in terms of operating cash flow. In the medium term, our objective is to move towards operating cash flow positive, but if I look at the next 12 to 18 months, the priority for the business is growth.

Manish, do you want to add more color on the ERIS side of things?

Manish Goyal:

So, I was saying, Mr. Kanishk, in my speech also I mentioned that this is more than a SaaS product. It is more of an operating system for the recyclables, because it is a fragmented part and an operation-heavy business. So, we are focusing more on invoice financing, and we are improving our terms with the supplier for credits and logistics. So, we will see a better cash flow in the coming times.

Kanishk Gupta:

Sir, whether this working capital build-up is primarily driven by customer concentration or onboarding of newer customers or maybe longer credit terms?

Anshul Bansal:

As I mentioned, sir, last year this build-up has primarily been driven by two aspects. One is onboarding of new suppliers. So, the way it works is whenever we onboard a new supplier, to begin with, the credit terms are much tighter. So, they could be as tight as payment in advance. As our business grows with them, as the relationship matures, as we have a trading history, those terms get better.

So, the majority of the difference that you would see in a working capital cycle between FY25 and FY26 was actually driven by the onboarding of new suppliers and essentially a tighter payable terms.

On the other side, on the buyer side, actually, our credit terms have been largely unchanged with them. And like Manish said, the lever that we have been focusing on around invoice financing, I intend to move that cash flow position faster.

And then I think you mentioned something around customer. I was saying you mentioned something around customer concentration risk. Actually, our customer concentration ratios have not changed materially from FY '25 to '26. Our top 10 customers roughly contribute to the same level between FY26 versus FY25. And our top customers are the same percentage as well versus FY25. So, it is not like they have materially increased our concentration risk from 25 to 26.

Kanishk Gupta:

So, more importantly, what evidence can you provide that these receivables are of high quality and that cash conversion will improve as the business scales rather than working capital continuing to grow in line with revenue?





- Anshul Bansal:** I would say the proof is historical, right? We have not had any material deviations in terms of write-offs on our receivables. We also work with pretty much the top 30 to 40 paper mills in India. So, we are quite conscious and choiceful in terms of the kind of mills that we are working with.
- And like I said, the biggest proof that I can give you is on invoice financing platform, the fact that we have been able to onboard a major Indian lender on this. So, what I will say is, please wait until H1 and you will see an improvement on this front with more details to come.
- Kanishk Gupta:** Sir, given your medium-term outlook for the next 18 to 24 months, your priority is growth right now and post that, when can we see cash flow from operations converting to a majority percentage of profit after tax?
- Anshul Bansal:** So, I would say, look, I don't want to commit to a firm number right now. What we do know is that for the next 12 to 18 months, the priority will be growth. But obviously in the mid-term, as the action that we are taking scales, specifically on invoice financing, we will move towards an operating cash flow positive and a much better ratio of receivables to cash conversion.
- Kanishk Gupta:** And my second question would be to Manish ji. Sir, given that approximately 50% of the revenue is derived from the top five customers with the largest customer contributing around 20%, so how should investors think about concentration risk once again as the business scales? So, are you personally actively pursuing diversification strategy that you want to implement over the next couple of months?
- Manish Goyal:** Our target initially was to build a business with bigger mills because there is a diversity of products. One mill doesn't import one product. I will tell you the business perspective. One mill imports like 10 products, paper products, and that too from different countries. So, the thing is, because we are also product-driven, we are choosing that which mills are paying us higher margins and which products are paying us higher margins.
- Our focus is to build sustainable business first, that we are not doing much of low margin grades at the moment. We are doing high margin grades. We as a company, our model is to select which mills are paying better, which mills are having better paying capacity. So, our selection of mills are like that. So, going forward, we will be continuing to select the mills like that and we will grow our business slowly and in a disciplined manner with this process.
- Kanishk Gupta:** Sir, more on that, as you said you want to do business with customers that provide a higher margin. So, what would be your ideal long-term target for EBITDA margins that you want to achieve internally?
- Anshul Bansal:** Again, on this one, we don't have a long-term target in terms of firm number. Obviously, there are fluctuations that happen in the business.
- But ultimately, what we want to make sure is that the leverage that we can control around improving our operating leverage through ERIS, so that our gross costs come down as a percentage of revenue, improving our services revenue mix, which is a higher margin mix, that continues to increase as well, further boosting our bottom line EBITDA percentages. Those two





levers that we can control, we want to make sure that those continue to increase. So, that is kind of where we see.

Ultimately, I don't have any guidance for you right now in the long term. As you can see, last year our EBITDA margin was close to 7. This year, it's lower. And obviously, we want to make sure that we move towards underlying figures in a positive way.

Kanishk Gupta:

Sir, can you provide something in terms of top line for the slightly longer term?

Anshul Bansal:

Yes, so let me give you a vision on that longer term, right, sir. If you look at just the India market, I am not even talking the global market, which Manish said that we, as part of our diversification strategy, we have gone beyond India and are now supplying to mills in Africa and Europe. So, there is a diversification plan in place to go beyond India.

But if I just speak about India for a second, the India market for recycled paper imports is Rs. 15,000 crores and growing, right? So, just from that standpoint, we believe that in the longer term, we want to be a top three global player in the space and capture around 8% to 10% of that market share. So, long term, absolutely, even if we just focus on that bit, we believe that we can become a Rs. 1,000 crore company just focusing on that.

Obviously, there are diversification limits in place, as Manish mentioned, be that around geographical mills, be that go beyond paper into other recyclables, be that around establishing asset light partnership models with yards to further secure our supply chain at favorable terms and margins. But in terms of top line, that is absolutely our mid-to-long term mission in terms of numbers.

Kanishk Gupta:

So, you want to be a Rs. 1,000 crore top line company and still grow beyond that. So, the Rs. 1,000 crore milestone, can we see that being achieved by FY30 or FY31?

Anshul Bansal:

Yes, absolutely. Absolutely. We totally see this as a five-year vision.

Kanishk Gupta:

And sir, coming back on the receivable profile associated with the top five customers, specifically, I want to ask you what percentage of the current trade receivables book remains within agreed credit terms and what percentage is overdue?

Anshul Bansal:

So, almost all of our books are within the agreed terms. If your question is more around specifically the top five customers and their receivables, I think that is a bit of a broader question. If you email us on our ID given, on a compliance ID, I am happy to get the team to revert back to you with more details or obviously, once we share our full records as part of our annual reporting, you can see it over there.

Kanishk Gupta:

And sir, quantitatively, what percentage would be overdue of the total receivables book?

Anshul Bansal:

Again, I don't have that answer off my head, right? Like I said, it is minimal. I am happy to share that over email if you just drop an email to our compliance ID.

Kanishk Gupta:

I have a couple more questions. I will surely get back in the queue.

Moderator:

Next question comes from the line of Mr. Arun Obilisetty from Aptworks Solutions Private Limited. Please go ahead, sir.

Arun Obilisetty:

Thank you for an excellent call. I have three questions, one for Manish Goyal, another for Anshul Bansal, and third for Mr. Umar Rauf.





The first question is basically on the competitive mode. What unique advantages does EXIM Routes possess against global recyclable traders and digital marketplaces? This is a question for Manish.

Manish Goyal:

Sir, can you please repeat again, the question?

Arun Obilisetty:

What unique advantages does EXIM Routes possess against global recyclable traders and digital marketplaces? Basically, I want to evaluate sustainable competitive advantage.

Manish Goyal:

Sir, see, when I started this business, I saw that all the suppliers in the world of this, I will talk about paper right now, all the suppliers of the world are commodity traders. So, when I started this business in 2013, so I saw first that European and Americans have the dominance in the market. And there was very opaque and fragmented information to the Indian paper mills though India was a huge importer that time also.

So, I figured out that once the mills place the order, they don't know that what quality is going to come, what price, what lending costs they are going to pay, and what kind of this, when the material will be delivered.

So, what happened that, okay, then we started the business and we started to quantify the data. Because we are paper engineers, so we knew that what technical aspects they need. So, we started mapping, suppose one product is coming from 10 countries. So, we mapped all the data of 10 countries of one product. And this we did for every product. These 10 countries' data we have in our system. No trader in the world is having this data. That is why this is one of the reasons that we are the only company, one of the few companies I would say in the world that has presence in more than 25 countries. Because we know that what quality mills will be needing. So, this kind of data power we have.

Then simultaneously we started building logistic data. We started building operational data at the mill that, okay, you are using this product, you are making this product, what kind of raw material you will be needing. So, we have put our engineering and data into the system. So, I believe no traders can do that. So, this is one of the most competitive advantage we have. I hope that answers your question, sir.

Arun Obilisetty:

Yes.

Anshul Bansal:

And if I may, I can build on the second part of your question because you mentioned something around digital marketplaces, right? If you actually look at the broader market competition, you won't find digital marketplace that have actually succeeded in this business, right? And it is not for lack of trying because ultimately an open digital marketplace model, what it fails to really solve for is the core issue. And the core issue is the following. A paper mill cares only about three things. They care about the landed price. They care about their quality, basically. And they care about post sale service, right?

At the same time, on the other side of the equation, the yards or the suppliers, they actually only care about two things. They care about price that they are getting. And second, they care about operations, right? And what I mean by that very simply is that because they don't have storage space, right? Think of this like a crop. So, for them, what becomes important is, am I





getting the best price? And is the logistics and operations in place that if I have the material ready to be collected on X day, it can be collected on X day? Because if it is not, then I don't have space to store it, right?

And ESG laws, especially in international markets, countries like UK, Europe, are very strict that you can't just dispose it off or burn it off or all those things. And this is where open marketplace, digital marketplace models fail because they inherently rely on the basic principle of, I have connected a supplier to a mill and they will handle it themselves and I will just take commission from the middle. It doesn't work. Because suppliers don't want to deal with mills and mills don't want to deal with suppliers, directly, by the way, right?

And that is where the system that we have built around ERIS is a differentiator because it is not a plain vanilla, here is a digital open marketplace. It actually brings all those things together and really solves the problems for both parties.

Arun Obilisetty: Manish, there is also another question I just wanted to ask you regarding international subsidiaries. So, how are the UK and overseas operations performing relative to India? And what contribution do you expect over the next three years?

Manish Goyal: Sir, this is a very relevant and important question because this is the base of our business. Why we open subsidiaries? You wanted to ask that, right?

Arun Obilisetty: Correct.

Manish Goyal: In recyclables, there is a trade barrier in the system that no traders in the world can import waste paper into the country. Okay. And when I started the business, I mentioned that all the dominance were with the European and Americans. I saw no Indian company was in the domain.

So, what happened that I thought that because I have my IIT friends outside India, like Anshul was in UK. My current CEO was sitting in Singapore. So, I just spoke to them that time that let's build an infrastructure around the world and let's keep the supply end-to-end because there is a lot of fragmented issues. So, we opened first company in Singapore in 2019. And we connected yards, recycling yards directly to the paper mills. So, we know that, we learned that what quality they need and what kind of things more, what quality they need, what pricing they need around the world. Similarly, we extrapolate this to UK, US, Germany also we opened. So, now what we are doing, we are managing end-to-end supply chain. We are not dependent on any third party for, so we are providing more transparency to the mills. They know that from where the material is coming and when the material will be delivered. That was the whole purpose of opening the subsidiaries.

Arun Obilisetty: I have a question for Anshul on the revenue quality. Basically, on the revenue quality, Financial Year '25 witnessed strong growth. How much came from volume expansion versus commodity price movements?

Anshul Bansal: Actually, most of this has come from volume expansion. So, if you look at the numbers, our volume, the tonnage that we are supplying has grown in proportion to our revenue pretty much.





So, if I go back towards the start of the year, in April 2025, we were doing somewhere around 6,000 to 8,000 tons per month at the beginning of the year, in April 2025. If I look at towards the end of March, that number had almost doubled, which is basically in line with what we are seeing in the revenue as well. So, I would say most of this, if not all, more than 90% of this has been driven by volume expansion.

Arun Obilisetty: I have one other question on shareholder base. What steps are being taken to improve institutional ownership and analyst coverage?

Anshul Bansal: So, a couple of things. Obviously, we are listed company. A couple of things that we are doing. One is calls like this getting stronger on our investment, on our IRPR activities, right? So, you will see a lot more of that coming through for us just on overall institutional level as well. And then, obviously, on leadership level, from both me and Manish, over the next few months, as we grow and scale further, there will be more reach out from us as well towards institutional investor base. And, obviously, some of these things will also become much more relevant as we scale and move towards that 400, 500 crore INR scale number as well. So, all those three activities in combined are what we have in plan over the next 6 to 12 months.

Arun Obilisetty: On the foreign exchange risk, how much of revenues and procurement are naturally hedged and what formal hedging policy is followed?

Anshul Bansal: Manish, do you want to take this?

Manish Goyal: Yes, sir, we are not following any formal policies yet. This is the plan. In fact, Umar is making a Forex platform. It is on our plan this year. So, basically, what we are doing is that whatever material is coming to India, so we have a plan that, suppose, every month there is a \$1 million material is coming, suppose, for example. So, we are following two methods. One is direct shipment to the mills, and second is a high-fee sales model. So, we give that options to the mills that if they want to lock dollar rate, so we give them high-fee sales model in which they can pay us in local currency. In fact, this is a great mode to us. So, this has increased in the last year also. The revenue from high-fee sales have increased from last year.

And secondly is the direct sales. So, direct sales, we are receiving the payments in USD only, so we don't need to hedge that. In INR sale, we are hedging something but not much because we are paying advance to the suppliers in high-fee sales. So, automatically, because we are working in a closed-loop situation, so automatically it is hedged because our costing of dollar doesn't change in that case.

Arun Obilisetty: I have a question for Mr. Umar Rauf. Mr. Umar Rauf, are you there?

Umar Rauf: Yes, I am here.

Arun Obilisetty: On the AI capabilities, which AI use cases are currently deployed like price forecasting, quality grading, logistics optimization, fraud detection, or buyer-seller matching?

Umar Rauf: Sir, right now, we are in the phase of collecting all the data to make all the AI which will take all these decisions.

Arun Obilisetty: Because these are all very critical for us.





- Umar Rauf:** Yes. So, as Manish already has said, that data is our greatest moat. We have about 7 to 8 years of data in certain products. You know, the high-margin products that we have. So, we already have that data. We have built certain pilot AI for those specific products. For example, for Cupstocks, and for certain other grades that we have data for, we have made progress in terms of getting an AI which will be able to match that product with certain use cases. It will be able to give us pricing for those products. But that AI is still in pilot stage. We haven't deployed it yet.
- However, currently, all the AI that we have are recommending deals to our internal personnel. So, whenever there is a deal that is made between a supplier and a buyer, that is done right now by an agent personnel. But the deal right now is recommended by the AI. So, the matching is currently being done. But that is not available to suppliers and buyers. It is only available to our internal actors.
- Arun Obilisetty:** And what about blockchain integration? Is management exploring blockchain-based traceability for recyclable materials and carbon accounting?
- Manish Goyal:** No, sir. We are not doing that. We want to be...
- Umar Rauf:** Right now, whatever we do is driven by financial statements- by P&L, and by a balance sheet. We go backwards from there and then decide what technology we want to use. It is not the other way around. Whenever we see that it is a great solution, whenever we see that these technologies will benefit us, we will start using them.
- Arun Obilisetty:** On the competitive benchmarking, I just wanted to know which global technology platform or marketplace does EXIM Routes benchmark itself against?
- Anshul Bansal:** So, I think within the recyclable space, as I said, there are very few, right? If I talk about a couple of examples that we have looked at in the past, actually, let me give you two examples. The first one that we looked at in the domestic market was Recycle, essentially, which we thought was quite interesting model in terms of what we were doing. But ultimately, where we felt it was not comparable was because Recycle is mostly a domestic marketplace model only.
- Within the whole international recyclable space, which is where we compete them, the only company that we have really seen do it or try it was this marketplace called Saathi, which was a private VC-backed marketplace. And interestingly, they tried it for two years and then they pivoted towards AI-based vision technologies or sorting machines, essentially, because they could not crack the trust and quality problems that I mentioned about previously. So, within the recycled space, like I said, there is really no true competitor benchmark and that is one of the big reasons why we onboarded Umar, whose background is data science. We do take inspiration from, just in general, where the technology is progressing and what other companies, even in other industrial sectors are doing, and see what makes most sense for the problems that our suppliers in those face on a day-on-day, week-on-week basis. So, it is less about trying to replicate a technology platform in our space, more about just taking inspiration from what is out there, in general.





Manish Goyal:

And one more thing I want to add here, sir. Recyclable market execution mills doesn't place order on a marketplace, because the whole trade of the recyclables is based on trust. You just cannot create a marketplace, and the industries will come over that marketplace and buy their raw materials. They won't do that in case of recyclables. Because we have worked on ground with the mills. I have worked with more than 15 mills in India. I know what are the real problems they face.

So, only marketplace I am talking about, only marketplace cannot provide that trust. This is the biggest problem. So, that is why we believe that only marketplaces cannot survive in this recyclable space. That is why you have not seen any marketplace in this model.

Arun Obilisetty:

I just have another question. Basically, it is AI versus commodity valuation theme. At what stage do you believe the market should start valuing EXIM Routes as a technology platform rather than a trading company?

Anshul Bansal:

Look, I would say from our standpoint, we have been extremely clear from the very start that this is a tech-enabled model. We have never actually called ourselves a tech-only model and said, please value us like a SaaS company which anyways, now that I say it, value such a SaaS company in today's terms might seem like a misnomer in a few ways with what is happening in the SaaS world.

But I would say, how we get value from market perspective, that is totally up to investors. What we are and who we want to be, that is quite clear, which is we see technology as a core pillar for how we operate and execute what is inherently a physical, operational, heavy business. And we want to be limited from that perspective.

Umar Rauf:

Just to add to that, so when I talked about, this is Umar here, when I talked about certain AIs, which is the final stage and not available to the business in the pack, which is something we are using internally. So, right now what is happening is that the deals that used to happen, for example, there used to be three to five days for a deal before AI, right?

So, what we are seeing is that we are able to do per person, for example, we are able to do more deals and the time taken to do one deal has also come down. For example, from three to five days to a couple of minutes. Because right now, all the products that we deal in, we know exactly what price we should ask from the supplier, what price we should give to the buyers. We already know that. We don't need to go to five or six people in the market and inquire about the prices. We already know what the prices will be. We have built that muscle by collecting that data for so many years and then building AI on top of that. So, we already know what price to buy at, what price to sell at, and which mill right now will buy what product.

So, right now, because of the AI we have and the technology we have developed, we have already seen improvement in the revenue per employee. We are basically almost operating with the same number of employees as we were at a much lower revenue. And that has only been enabled by tech. So, I would say to your question, we are already operating as a tech platform and a tech-enabled company, and we value ourselves as such. And I think that you also value us as such.





Manish Goyal:

One more thing I will add here, sir. In the start of my speech, I told that we are importing around 6 million tons of inventory in total India. Currently, we have around 1 million tons of inventory in our system. So, we have launched recently, four months back, our procurement tool for the mills. So, mills have very easy access to see those inventories. They can select the product. They can select the shipping lines. They can see what shipments are on water. So, we are empowering mills. So, in fact, two mills we have onboarded five months back, their procurement rate has increased by 30% with us.

Arun Obilisetty:

Excellent. I have one final question, if you allow me to ask. EXIM Routes has articulated a vision of building the world's first AI-enabled closed B2B recyclable trading platform. Could the management quantify the expected contribution of this platform in terms of revenue, EBITDA, and customer adoption over the next three to five years and identify the milestones investors should track each quarter?

Manish Goyal:

I will answer on the customer adoption first. Then Anshul and Umar can revert on the rest part. So, see, raw material is the need of the mill. For sales side, we don't need to push the customers. If we show them that, okay, this material is available, just they have to shop the material. Suppose there is one material available in five countries. So, this is enough for them to make their decision. So, we are not pushing any mills to buy from us. It is their choice. And you cannot push industries to buy material from you.

In business, it doesn't work like that. So, the system is designed like that only because we are giving them so much leverage. They have so much power. So, automatically, they will adopt the product. They will be forced to adopt the product. This is my belief and view on this.

Anshul Bansal:

I think from a key financial metrics perspective, and then I will hand it on to Umar to talk about the more core tech elements. From key financial metrics, I would say there are three metrics that you should keep a close eye on. First and foremost is our top line. By the way, all our revenue, everything, happens via platform. So, when we say it is a closed marketplace, it may happen that it is mill doing it, or it may happen through the sales rep. But essentially, there is no differentiation between this revenue is ERIS revenue versus this revenue is a non-ERIS revenue. So, just overall key financial metrics, top line.

The second one I would say is our operating leverage for operating costs, which is where the ERIS leverage comes about, which I spoke about. Track those, those should come down as a percentage of revenue as we scale on the back of our platform.

And the third thing is within the revenue split, I would also keep an eye on our products versus services segment, which we report as well. And you should see that services revenue as well growing over time, basically.

So, those are the three financial metrics that I would keep an eye on. Of course, the caveat being over here that as some of these things come up, the underlying economics and the business will also start to flow through. But at the top line, I would say those are three financial metrics that as investors I would urge everyone to keep an eye on, on a quarter-on-quarter year-on-year basis as a schema over two months.





Umar Rauf:

Yes, I think what we will do is we will move in three phases. The first phase is the current phase, which will last for maybe next 12 to 18 months. What we will do is that we will continue collecting data and we will continue improving ERIS and optimizing it for EXIM Routes. And in terms of financial statements, you will be able to see that in the form of greater operating business leverage, we will be able to do more and more with the fixed number of employees we have currently. So, that is the first phase.

Once we collect data over more products and more buyers, we will also add more actors. So, as Manish said, right now, we have a platform where we already have buyers. We have mills. Then we will also onboard other actors, which is the supplier, which we already have tried some models offline, but we will give them a formal platform to place their inventory, which they want to sell. We will also give a platform to our current logistics partners who supply us logistics and rates in an offline manner. They will start giving us these rates in an automated manner using the platform we give them. And then we will also have financiers representing the invoice financing platforms. We will also expose on the ERIS platform.

So, this is the second phase and this will enable us to collect and add more revenue streams. We will add a take rate for all the suppliers. We will also add take rates for if somebody wants to sell their take rates or some other trade providers, they want to sell something, we will also add some take rates for people who want to sell loans or give money to the buyers. This is the second phase. In this phase, what you will probably need to look at is which are the new services and platforms we have made live and which will help you keep track of what phase we are in.

And the last phase is when all these ERIS has optimized EXIM operations inside our company, which is the phase we are in currently. And the second phase is just connecting all the actors in the ecosystem. Once all these things are done, we will basically have a platform which will become a perfect source of pricing. So, their mills and the suppliers will go to discover price for themselves, the prices which we are able to discover for ourselves right now. Going forward, all these actors will be able to refer to this platform and discover pricing. And it will also be a place where all these mills will go to figure out their logistics and also manage their rates with regard to inputs of sectors of production.

So, from tech perspective, this is our stated staging of development, which is next 12-18 months, we optimize our own operations. In the next phase, which will again last about 1-1.5 years, we will bring in the different actors in one place. And the final phase is where we monetize everything we have built in a bigger manner. I hope that answers your question.

Arun Obilisetty:

Yes. Thank you so much for answering all my questions. I see a lot of potential with this product. And I hope we will see again highs in the future. Thank you so much, team. All the very best.

Moderator:

Thank you, sir. In the interest of time, that will be the last question. I now hand the conference over to Mr. Anshul Bansal from EXIM Routes Limited for closing comments.

Anshul Bansal:

Thank you, Akash. At the close, I just want to thank everyone who's joined today, and not just today, but who's been supporting our journey for the last 3, 6, 9, 12 months and beyond. On





EXIM ROUTES LIMITED

(Formerly- Exim Routes Private Limited)



421, 4th Floor, Suncity Success Tower,
Sector-65 Golf Course Road Extension,
Gurugram-122101, HR (INDIA)



+91 1244103091

GSTIN: 06AAFCE4612E1Z3

CIN: L51909HR2019PLC115525

behalf of the entire management and EXIM Routes team, all I can say is we commit towards growing and scaling the business as we move forward and obviously giving regular updates as the business progresses. Thank you, everyone, and have a good evening. Good afternoon.

Manish Goyal:

Thank you, everyone.

Moderator:

On behalf of EXIM Routes Limited, that concludes this conference. Thank you for joining us, and you may disconnect your lines now.

