



“Anlon Technology Solutions Limited  
H1 FY '26 Earnings Conference Call”

November 15, 2025



**MANAGEMENT: MR. UNNIKRIISHNAN NAIR PM – CHAIRMAN AND  
MANAGING DIRECTOR – ANLON TECHNOLOGY  
SOLUTIONS LIMITED  
MR. EMMYUNUAL SETTI – CHIEF FINANCIAL OFFICER  
- ANLON TECHNOLOGY SOLUTIONS LIMITED**

**Moderator:**

Ladies and gentlemen, good day and welcome to the H1-FY26 Earnings Conference Call of Anlon Technology Solutions Limited, hosted by Twenty Eighth Consulting. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone.

Please note that this conference is being recorded. We have from the management, Mr. Unnikrishnan Nair, PM, Managing Director and Mr. Emmyunual S, Chief Financial Officer. I now hand the conference over to Mr. Unnikrishnan from Anlon Technology Solutions. Thank you and over to you, sir.

**Unnikrishnan Nair PM:**

Thank you, Shlok. Good morning and welcome to all our dear fraternity from investor segment. Thank you for making this time to listen to us, to meet and talk to us.

With your steady support, a lot of encouragement that we have received. We have been able to convert all your support and goodwill into some kind of an action plan which we could implement in the last half year of this financial year. If you look back to the half year, what we have done is we have more or less built a platform for delivering Make in India manufacturing and assembly projects in the half year before last half year, that is the H2 of FY25.

And then this last half year was a delivery time for us from the platform that we developed in H2 of last year. So, this has been a half year. If I could call it, it will be a half year of delivery. And so, now we are in a position to we have fulfilled the promises that we made to the market, especially our customers. And this half year was a bit satisfying time that we delivered almost all orders that we have received from the platform very painfully built in the previous year. So, this would be my introductory comment.

I know you are all looking forward to listening to the financial aspects of the results that we published. So, I'll request my colleague and Chief Financial Officer Mr. Emmyunual Setti to present key highlights of the financial of H1 FY26. Over to you, Emmyunual.

**Emmyunual Setti:**

Thank you, sir. Good morning, all. Thank you for joining us today. I'm pleased to share that the first half of the FY26 marks one of the strongest half year performances in Anlon history. I would like to take you through some of the key factors for movement in revenue.

Our revenue from operations for the half year ended September 30, 2025 stood at INR41.38 crores, reflecting a strong growth compared to the INR31.17 crores in the preceding half year ended 31st March 2025 and INR19.05 crores in the corresponding half year of the preceding year ended September 30, 2024.

This performance demonstrates significant momentum with the company achieving nearly up to 82% of the full year revenue of INR50.23 crores recorded for the year ended 31st March 2025. This growth was primarily driven by increased revenue from the manufacturing and assembly segment, supported by the sale of new four runway rubber removal machine to Airports Authority of India, one multifunctional foam mist vehicle to Maruti Suzuki India Limited, one rapid intervention vehicle to Trivandrum International Airport, and one refurbishment of the runway rubber removal machine which is supplied to Delhi Airport.

And of course, we have done a refurbishment of one of the world's largest crash fire tenders, which is supplied to the Goa. And along with this, our sale of services for the fiscal year 2025 was INR19.96 crores, while for the half year ended itself it is INR13.22 crores, representing about 66% of the previous year's level.

The increase in service income was mainly on account of the income towards the commission on supply of 13 firefighting trucks during this current period, indicating the strong growth in the commission linked earnings.

These trucks are directly supplied by our OEM, out of which we got our overriding commission. And now I would like to take you through some of the key factors for the moment in the profitability. As everybody is aware of that, we started manufacturing and assembly from the last year.

As a part of that, we also started doing the refurbishment of some of the trucks. Generally, refurbishment of these trucks carries slightly higher margins. This contributed to a modest improvement in the overall profitability.

And our raw material consumption lowers at INR1.87 crores due to the better inventory utilization. Purchases of stock in trade reduced, reflecting our controlled procurement. Changes in inventory by INR7.58 crores indicates the decrease in the closing stock showing clearance of the final product resulting into a realization of the operational profit. And our overall gross margins benefited from the favorable inventory movement.

And now I would like to take you through the major developments in cash flow positioning. We have incurred an amount of INR1.49 lakhs during the period towards the construction of the office building which is under construction as on 30th September 2025. In addition, the company incurred INR3.7 crores towards manufacturing of the motor vehicles which are nothing but the sweeping machines that will be used for demo purpose as well as for giving it to the customers on hire basis.

So, these trucks which were under the production, so this is also part of the capital working progress. And if you see our cash flow from operations improved significantly from the net outflow of INR9.2 crores during the off year ended 30th September 2024 and a net outflow of INR16.7 crores for the year ended 31st March 2025 to a net inflow of INR5.89 crores during the last half year 30th September 2025, which is reflecting improved cash generation from the operations.

These are all some of the highlights of the financial performance for the half year. Now, I would like Unnikrishnan sir to take over and explain about the future prospects.

**Unnikrishnan Nair PM:** Yes, thank you Emmyunual. So, allow me to make a few concluding remarks for H1-FY '26. So, at the end of the last financial year, we have built what we wanted to be used as a platform for manufacturing.

This means a facility, a part distribution system, storage system, basic facilities for assembly. More importantly, a quality conscious reliable supply chain. The OEMs that we represent, they

all have a well-developed supply chain system in Germany, in Austria, in Switzerland and in the United States.

It was not easy to create such an environment back home in Bangalore and around and some of them even from outside states. So, quite a lot of effort has gone into establishing a steady and quality conscious supply chain. This has been done in the last financial year and that is why we have been able to complete all deliveries in the first half of this financial year.

We have entered into, in this half year, we have entered into a very needed area because most of our associates are making long-lasting equipment. So, many customers are asking, saying, no, we do not want to discontinue the use. Can you remanufacture them and give it to us with a certificate to show the statutory authorities that they can continue to use them for 10 years?

Once we have done this, many OEMs are now approaching us for remanufactured machines as a hub working out of India. So, this has been a very good, pleasant surprise result of what we have done in H1 FY '26. We are looking at continuing this process with an even greater scale.

Secondly, we have been now asked by one of our major associates, Rosenbauer, to set up an international service department. We have already started servicing countries like Nepal, Bhutan, and now it is extended to Israel and beyond. We have also been asked, we will have an audit early next year for some of our associates to consider as their manufacturing partners.

So, these are some of the key highlights other than the financial which have got a future bearing from what happened in H1. Now, looking at the future, as Emmyunual was mentioning, fortunately for us, the growth in the major three segments that we represent are continuing very strong and I would say even growing faster. There will be 12 more, 11 or 12 more new airports that will be privatized.

The Government of India has made up their minds to privatize further 11 more airports and this will take the total to around 30 airports for development in the coming couple of years, which makes India one of the fastest growing aviation markets.

Secondly, the industrial segment, we have made a major breakthrough last half year by securing an order from petroleum industry by getting the first make in India project for fire utility equipment from a petroleum segment and we expect that this growth will continue. That is the second segment that we are representing.

Third is municipal. So, we are present in high-rise building rescue machines. As the high-rise buildings are increasing in the urban space, more and more Tier 2 and Tier 3 cities will have to acquire these machines.

And the second area of municipal cooperation is this Swachh Bharat Abhiyan drive, very strongly driven by the government of India for clean, smart cities. So, we have now entered into a technical feasibility study with an Austrian firm. We are still not shortlisted for solid waste management, which will make use of three products made by our associate Bucher Switzerland, sweeping, refuse collection and sewage cleaning.

So, we are considering this as a target market for the coming month. And with the market outlook in these three segments that are growing, I would say we must be able to achieve something like 30% to 35% growth in FY '27. So, this is what we are planning to do for the future.

And the facility that we are at the moment manufacturing, we will convert that into an R&D and competence center. We are looking for space that can be built for customized manufacturing. So, this is more or less what I have from my desk.

And over to Shlok for the further proceedings of the meeting.

**Moderator:** Thank you very much. We will now begin the question and answer session. The first question comes from the line of Manoj Shetty from MS Investments. Please go ahead.

**Manoj Shetty:** Good morning, sir. Thank you for the opportunity. Congratulations to the Anlon team for such a wonderful performance.

**Unnikrishnan Nair PM:** Thank you.

**Manoj Shetty:** I have a few questions. I will run through them. Basically, most of them are data keeping type of questions. One, sir, we have INR115 crores and the orders on hand. So, my first question is, how much of this would be executed before this 31st, March '26? And what is the order pipeline you have?

**Unnikrishnan Nair PM:** Emmyunual, can you?

**Emmyunual Setti:** Yes. Let me answer to this. Out of this INR115 crores, if you see, there is an order for about INR18.83 crores, which is for the first time, we are going to do the operations and maintenance of the general vehicles and other equipment of entire airport, airside. So, this is actually we will be billing over the 5 years. Apart from that, the balance, whatever it is there, INR95 crores, it will be billed by FY '27.

**Manoj Shetty:** So, can we expect out of INR95 crores, something around INR40 crores would be executed during the current, in the next 5, 6 months?

**Emmyunual Setti:** We are actually targeted to complete as much as possible. But in our business, the customer has to accept the vehicle and obviously, they have some requirements that some will be eagerly ready to take before 31st March, and some may fall into the Q1 FY '27.

**Manoj Shetty:** So, is it possible to share...

**Emmyunual Setti:** Approximately, we can expect to bill it, maybe close to INR35 crores to INR40 crores.

**Manoj Shetty:** INR35 crores to INR40 crores. Okay. And what is the order pipeline, sir?

**Emmyunual Setti:** So, we are about, I think, currently more than INR70 crores worth we are now pitching in for the new orders.

**Manoj Shetty:** New orders. Okay. Sir, in this order book, when you have given the, in the breaker, one is that make in India INR73.15 crores. And second is this traded equipment, INR15.61 crores.

**Emmyunual Setti:** Correct.

**Manoj Shetty:** So, now in this INR73.15 crores, in the press release you had given during Q1, you had given, what are the number of vehicles that are, you have orders in hand.

**Emmyunual Setti:** Correct.

**Manoj Shetty:** So, if I count that, it comes to around 11 plus -- if I remove the refurbishment of this runway rubber removal, it comes to around 16 vehicles. So, if this is the number of vehicles to be made in the remaining 5, 6 months from our factory?

**Emmyunual Setti:** This INR73 crores is for the vehicles about 13 numbers, which consists of INR73 crores. So...

**Manoj Shetty:** 13 vehicles?

**Emmyunual Setti:** 13 vehicles. Out of which we will be importing the superstructure and we will be doing the, chassis integration and then we will be delivering to the customers. So, those are all the orders which are falls under the MII.

**Manoj Shetty:** Okay. Now, in this 15.61 is there, where you said traded equipment.

**Emmyunual Setti:** Yes.

**Manoj Shetty:** Because even in the press release, which I was mentioning of Q1, you had mentioned, there are two, like one is sweeping cleaning machines, MII is there and there is one more sweeping cleaning machines, trade is there, segment, supply time.

**Emmyunual Setti:** Correct.

**Manoj Shetty:** So, what is this INR15.61 crores, which is said as mentioned as trade?

**Emmyunual Setti:** This INR15.61 crores consists of the one vehicle, wherein we will be importing the complete vehicle and we do a small value addition and it will be supplied to the customer. Other than there are other, orders like personal protective equipment and other equipment, which is going to be supplied to the respective airports. This consists of INR15.61 crores. This is not purely the vehicle orders. This is the equipment orders.

**Manoj Shetty:** Okay. Like personal, that is for the firefighting equipment that we supply, whatever the materials, right?

**Emmyunual Setti:** Yes.

**Manoj Shetty:** Okay. Fair enough. Sir, my second question is regarding the vehicles that we can make in our factory. So, it was told in the earlier calls that except crash fire tenders, we can make the rest of the vehicles, like your QRV, compact sweepers, turntable ladders, then crash fire tenders, runaway rubber removal, friction all these, it was mentioned, other than crash fire tenders, you can make them.

And to that, now, I think in your investor presentation, you have mentioned this site cleaning vehicles also you started making. So, my first question, my question in this is, except this crash fire tender, is our facility, is it equipped to make in all other vehicles that we sell?

**Unnikrishnan Nair PM:** Yes. May I take that question?

**Emmyunual Setti:** Yes, sir.

**Unnikrishnan Nair PM:** Yes. So, Mr. Manoj, we earlier had said stated that except crash fire tenders, we are prepared to make everything else. However, we had to make a correction to that statement in the first half of this year. The reason is, the market, after our successful remanufacturing of the runway rubber removal machine for Delhi Airport.

**Manoj Shetty:** Okay.

**Unnikrishnan Nair PM:** The GMR Group approached us and made us change our decision. So, we were kind of nerds into making a crash fire tender remanufacturing. So, we took up the challenge, we completed the remanufacturing, which was inspected by our partner in Austria. And now, that is leading to further investigation of augmenting our capacity for both remanufacturing and eventual manufacturing.

So, the Board of Directors of this company invited us, we met them. They are also visiting us early the coming year. So, this will be a policy shift that we might have to look at even CFTs also.

**Manoj Shetty:** Okay. That is great to hear...

**Unnikrishnan Nair PM:** And the, I forgot the second question. Sorry, Mr. Shetty, you asked one more question.

**Manoj Shetty:** No, no. What I said was the other than this crash fire tender, can we make the rest of the machines? But now you are saying even that CFT also we can make and for that you are taking the necessary approvals from the OEM as well as the company board also, correct?

**Unnikrishnan Nair PM:** Right. We took up, actually, it was a very difficult challenge for us. The first itself, we had to take the work, one of the largest ever airport fire engines made by ROSENBAUER came to our facility for remanufacturing. So, we completed it. We delivered it. We did extensive testing at Goa Airport, North Goa Airport, and the customer has accepted it.

And I am a little bit proud to say that some of the key parameters, we even bettered what they measured 17 years ago. So, this is not our, we are not blowing the trumpet, but it shows the strength of the youth of this country and how committed they are.

**Manoj Shetty:** Sir, then you should not feel little proud. Sir, you have to feel very, highly proud and achieve. Why you are feeling very, very, this one? Because that's a very good achievement for these Austrian CFTs, if you can refurbish them. So, my next question was related to that only. So, now, other than Make in India, so you are also getting into refurbishment of all these vehicles, which are already being supplied and used in different airports in India, correct?

**Unnikrishnan Nair PM:** Yes. See, for example, some countries, I can't name the countries, little bit war affected countries in Europe, and there is a large threat of fire all over in their country. Okay. I don't want to get into too much detail into the geopolitical situation in Europe, but this is forcing them to come to people like us.

In Asia Pacific, we are probably the only one who are being approached, as far as I know, for getting this kind of refurbished trucks and supplying it back to them. So, this has made us -- so the necessity of the time made us to enter into the CFT remanufacturing, and the prospects are really bright.

So, why not? We have the capability and we can do that. So, that's why we had to take kind of a calculated risk and a deviation, which in the end proved to be with a better result. So, if you are asking about the facility for other vehicles, yes, like I mentioned in my introductory remarks, the present facility will be converted into a competent center.

So, this means that, let's say, we get an order for 40 machines, we will develop only two machines at the present facility. This is for drawing up an internal sales process, identifying bonds, a bill of material, identifying and finalizing the supply chain, and then we will tell the supply chain guys to please supply to our other plant. But that scale up will be done only upon receipt of order or close to receipt of order.

**Manoj Shetty:** Okay.

**Unnikrishnan Nair PM:** But at the present center, we can do six weeks assembly time, seven vehicles.

**Manoj Shetty:** That is seven vehicles, is that correct?

**Unnikrishnan Nair PM:** Yes, six weeks assembly time. This means that -- see, we are not, we deliberately avoided machining components inside, okay? That's a whole different component. So, we have fortunately in Bangalore, a very strong single piece manufacturing or say low batch quantity manufacturing, high-precision machining shops, several of them in Bangalore. Bangalore is full of such kind of businesses like HAL, like BML, like Volvo Construction, Bharat Electronics Limited, and all these things.

So, therefore, this environment -- we chose this environment to help us. So the idea is to get all the components in three to four months' time using the supply chain. And even the chassis suppliers, we are telling them, please hold at your dealer's facility. And when we start assembly, one day prior to that, please deliver the chassis to our facility. So, this is as they famously, they call it just-in-time process.

We will strongly use because Rosenbauer uses just-in-time, Booker is using just-in-time. Our technical team, assembly and manufacturing team is fully well-versed with just-in-time manufacturing methodology. So, this will help us to reduce the assembly and manufacturing time much less. But on a conservative basis, I am calculating that to be six weeks, though several machines have been prepared faster than that.

**Manoj Shetty:** But taking six weeks for seven vehicles, so that will come to around 36 vehicles you can make in a year. Is that understanding correct? Because two months -- six weeks is two months, less

than two months actually. But I am taking one and a half months, it is basically. So, it should be around 48 vehicles to be exact.

**Emmyunual Setti:** If I may, it's basically in the range of 50 to 60, because it is not that we deal with a standardized products. There is a mix of products, wherein some will take two, three weeks also, when the components are ready, some may take up to six weeks, as MD sir said. And to add to his statement, in general, this refurbishment involves a lot of the service portion, wherein we have our in-house team. So, it carries the good margins. So, that gives us an edge for us to improve our overall margins in the future.

**Manoj Shetty:** Okay, fair enough. Sir, just continuing on this. What is the percentage of localization you could achieve in these machines?

**Unnikrishnan Nair PM:** Anywhere from, let's say, 35% to 85%, depending upon the product.

**Manoj Shetty:** Okay. So, still there is further improvement possible?

**Unnikrishnan Nair PM:** Yes, further refinement in quality, further compression of lead time, further understanding with the supply chain market. Now, our supply chain community, or let's say our extended family, knows what we need. We let them interact with the OEM representative. So, we had three-way meetings together. You know, even online meetings and many other technical platforms. Now, we have software that you can design. One person in Germany, one person in Austria and one person in India together can draw a drawing. So, it really helps to be in that environment.

**Manoj Shetty:** Okay, sir. Sir, my next question is, sir, what is the royalty we need to pay to these OEMs? And what is the agreement, you know, duration you have with each one of these MNCs or the OEMs to make these vehicles in India?

**Unnikrishnan Nair PM:** It is like this. Let's say, you want -- you are going to continue the manufacturing by ourselves and with reduced support. Then, for the first process, we might consider payment of some royalties to the OEMs. Okay. And this means that they will stay with us, they will train us how to make, they will -- which we have already undergone a cycle now. But other than that, if we buy their core components, that's more than enough for them. See, I will explain this.

Let's say, we have for some particular manufacturer, at the moment, when they make it in Europe and sell it, we are selling 30 or 40 or let's say at the best 45 trucks. But if you start in Make in India, various supportive components can be sold much larger to the volume of trucks that we sell. So, they consider this as a big interest that in some of the technologies, they can sell trucks where they are leaders and they are competitive in price, where the country do not have much option.

But at the same time, where they are not doing any business at all, for example, European components, European pumps, European monitors, turrets, all these things, that is increasing once we start Make in India using those components. So, the top management of these manufacturers are really interested to promote this. So, some of the projects, we are paying zero royalty.

**Manoj Shetty:** Okay. But the duration, this can go on. There is no limitation on so many number of years or so.

- Unnikrishnan Nair PM:** I did not understand the question.
- Manoj Shetty:** Sir, my question is, either you doing the -- making those machines here or doing the refurbishment or in all these, they have all these OEMs have given their approval to do so for Anlon Technology. Is it for any fixed duration, number of years or is it forever?
- Unnikrishnan Nair PM:** See, we have deliberately not got into a time-based agreement, because once you are an experienced manufacturer, okay, the customer needs a properly made end product. He does not care you buy from Hammelmann or you buy from some other high-pressure manufacturer, you buy from Caterpillar. Now, we are considering Volvo Penta in the place of Caterpillar. So, that is open to us. So, therefore, this, if you get exclusively tied to a design, then we are limited.
- Manoj Shetty:** Okay.
- Unnikrishnan Nair PM:** Yes. So, that will also put you in an awkward condition because if Caterpillar says, no, sorry, you please come after two months we are sold out. I say, okay, we will see later and I can go to Volvo Penta. For this reason, we have not entered into a design-bound and time-bound agreement. This will give me a flexibility and also a demand saying, okay, if I do not support him, he has many other choices.
- Manoj Shetty:** Sir, what I was talking – no sir what I was asking not for the Caterpillar or the Volvo, what I am saying is, let us say, Rosenbauer or all these OEMs.
- Unnikrishnan Nair PM:** Correct.
- Manoj Shetty:** So, will they allow you to do this whatever refurbishment or making those vehicles here in India, will they allow you to do it for, let us say, more than 5 years or 10 years in whatever the way you are planning to do?
- Unnikrishnan Nair PM:** See refurbishment is done within cooperation with the OEM.
- Manoj Shetty:** Correct.
- Unnikrishnan Nair PM:** Every year we have an agreement that is renewed every year for the last 20 years.
- Manoj Shetty:** Okay.
- Unnikrishnan Nair PM:** This is every January, we renew this agreement.
- Manoj Shetty:** Okay.
- Unnikrishnan Nair PM:** And they do not have anybody else in India, neither have we tried to enter into an agreement with anyone else in the last 20 years. For example, I have not even sold a horse made by anyone else in the Indian market. This trust is recognized by them. This is more strong than letters, but still we have a framework agreement to answer your question.
- Manoj Shetty:** Okay, fine. My last question is, is this direct sale?
- Moderator:** Will you get back into the queue?

- Manoj Shetty:** Sir, last question. Last question. Yes, sure. One last question. Sir, this direct sale we were supposed to get good margins making this machine. So, is it around 15% to 25% is what the margin we are making?
- Unnikrishnan Nair PM:** Emmyunual can you please, from your calculations and your experience?
- Emmyunual Setti:** Just to clarify that initially to give an entry into the market, we took up some of the projects at lower margins and which actually resulted into the blended margin of about 14% in the manufacturing assembly, which will not be the case. It will be like as you said, it will be in the range of 15% to 20%, 25% margins in the future.
- Manoj Shetty:** Thank you very much, sir. And wish you all the best. Thank you.
- Moderator:** Thank you. The next question is from the line of Darshan Chandra from an Individual Investor. Please go ahead.
- Darshan Chandra:** Sir, my question was regarding the margin. The operational efficiency increases and our production increases, so can we see the EBITDA margin going up from 18% to anywhere between higher range?
- Emmyunual Setti:** Yes, Mr. Darshan, just to clarify that, as I mentioned some of the projects when we took it up at the lower margins, which resulted into -- in fact, we maintained that EBITDA margin. So, in the future it will be the case and we are expected to improve the EBITDA margins as well. Because the mix of the segments or mix of the products, which will be now changing period after period, so that it will give us an advantage to improve the EBITDA margins.
- Moderator:** Mr. Darshan, does that answer your question?
- Darshan Chandra:** Yes. Thank you.
- Moderator:** Okay. The next follow-up question comes from the line of Manoj Shetty from MS Investments. Please go ahead.
- Manoj Shetty:** Sir thanks for the opportunity again. I think Emmyunual in his introductory speech had mentioned that 13 vehicles, CFTs were supplied by our OEM measures Rosenbauer in the first half. So, is that number is correct?
- Management:** Yes. It is correct.
- Manoj Shetty:** So, how much more will be supplied during the remaining half and how much it is expected in FY27?
- Emmyunual Setti:** So, we have another, I think approximately 22 vehicles to be supplied. So, it will fall over the next up to the FY27.
- Manoj Shetty:** So, from now to next March 27, you're saying around 22 vehicles are pending?
- Emmyunual Setti:** Yes.

- Manoj Shetty:** So, when will the AMC for these vehicles will get started? Is it one year after the supply or before that only?
- Unnikrishnan Nair PM:** May I take that question?
- Emmyunual Setti:** Yes, sir.
- Unnikrishnan Nair PM:** Yes. Mr. Shetty, immediately on the first day, the reason is there are statutory reports to be made on daily, weekly, monthly maintenance. This is very closely reviewed by the Director General of Civil Aviation. So, there is a regulation that either the OEM, the Austrians, they are finding it very difficult to do this kind of maintenance staying in India or their authorized representatives have to carry out this, let's say, statutorily required maintenance performance, testing and maintenance. So, therefore, the first day of introduction of the machine, some of them we maintain, some of them we operate and maintain.
- Manoj Shetty:** Okay. Fine, sir. This question is to Emmyunual. Sir, is it possible to tell us the AMC, the revenue from the AMC, how much was it last year and how much it is expected to be during the current year?
- Emmyunual Setti:** The service income, I mean, rather than I saying the AMC, we also do the one-time services. So, let me put it in this way. The service income in this off yearly is about 22% closely which contributed to the total revenue. When you compare to the previous year, full service income was about INR15 crores, but wherein this half yearly it was about INR9 crores. So, every year we have an escalation clause wherein it increases from 7% to 12%. Apart from that, the new vehicles which will get added to the service income.
- Manoj Shetty:** Correct. So, that means, can we take every year there would be minimum of around 15% increase?
- Emmyunual Setti:** Yes, 12% to 15% -- 10% to 15% you can take in the range because it is related to the...
- Manoj Shetty:** Because price increase you said 11 to 12, right?
- Emmyunual Setti:** 7 to 12.
- Manoj Shetty:** Oh sorry 7 to 12. Okay.
- Emmyunual Setti:** So 10 to 15 we can take it as increase.
- Unnikrishnan Nair PM:** Mr. Shetty, just to add to what Emmyunual said, this year marks a new beginning that an airport has handed over the entire airside equipment maintenance management on unlock. This is a new trend, especially in Europe that the entire maintenance is outsourced and the manpower and the technology and the tools and the workshop is managed by an experienced company. Our involvement in complex automotive machines like CFTs and runway rubber machine make us the most qualified for this kind of contracts in the future.
- Manoj Shetty:** Oh, very much. So, in India, is it possible to share which airport has done that to unlock?

- Unnikrishnan Nair PM:** Noida International Airport.
- Emmyunual Setti:** In fact, we have disclosed, we have filed an intimation with an NSP which has all the details.
- Manoj Shetty:** Okay, I will take it up, sir.
- Unnikrishnan Nair PM:** This is managed by a major airport company in Zurich with whom we are developing our relationship for much better coverage in the global airport sector.
- Manoj Shetty:** Okay, fair enough. Sir, my next question is, the space part, already, you know, the current space for the manufacturing looks already filled up. So, you had taken, I believe, some rent on -- shed on rent to manufacture this QRV, that is, quick response vehicles to Maruti. So, my question is, is that shed is still on rent and can we make any other vehicles other than these QRVs?
- Unnikrishnan Nair PM:** Yes. Not only that, we have short-listed some more places.
- Manoj Shetty:** Okay.
- Unnikrishnan Nair PM:** And with whom we have said, okay, please help us to scale as and when we sign contracts. So, fortunately, the industrial area is growing and there are many places available. Probably, some of them made some project reports, but that project was not feasible. So, now they are to make use of the place, number one.
- Number two, the hired place, as you mentioned, are now used for component preparation. Like I mentioned, our main area would focus on the core competence of assembly and manufacturing. All allied services and support services will be done from the hired places.
- Manoj Shetty:** Okay. So, that means you are not approaching the government for any shed, you are going for the rented since that is easily available and you can ramp it up fast.
- Unnikrishnan Nair PM:** No. We have already approached the government. We told them whatever land we have given, we have put it into full use. Okay. Maybe the fastest -- we were the first one to come up in Adinarayanahosahalli Industrial Area Phase 4, the first one. When we went there, it was barren land.
- Manoj Shetty:** Okay.
- Unnikrishnan Nair PM:** So, they know that history. Therefore, they have now considered us to give 3x what we have. We have met the authorities, we are requesting them. However, that is a process. But in case if we have an order that's coming, like for example, this origin requirement from Europe for refurbished trucks and all these things, then we have sufficient space to do that elsewhere. This is what I am saying.
- Manoj Shetty:** Okay. Fair enough. Sir, you are expected to grow more than 40% during FY '26. And you have given a target of around 30% to 35% in FY '27. So, in that regard, my two sub-questions are one is, do you have to raise the money again to take care of whatever the capex plus working capital needs? And second question is, I think we already had around 140 people on our payroll. So, do you have to increase the manpower also? So, if you could throw some light on this.

- Unnikrishnan Nair PM:** Yes. The first part of the question, maybe Emmyunual may kindly answer that question.
- Emmyunual Setti:** Yes. At the moment, considering the current situation, we are actually pitching for the debt. So, we are expected to manage at least until next H1 FY '27. So, currently, we are not. Maybe if there are any future orders, we may have to think about based on the advisory consultation.
- Unnikrishnan Nair PM:** Yes. The second part, the ramping up of manpower. So, it is like this. Let's say, first, the manpower deployment in site are determined by the contracts we sign with our clients. Noida needs 47 people to manage the entire airside maintenance. So, there is no choice. We have to recruit 47 people. And the skill sets are given. And like a partnership, the Noida Airport management and Anlon management are together interviewing and deploying people in Noida. This is a very good example of cooperation between us and our customers. Okay.
- Manoj Shetty:** Okay.
- Unnikrishnan Nair PM:** Secondly, we have, with due respect to Indian industry, the advice given by the Austrians and Germans are to, at certain levels, recruit fresh candidates from the university or from the ITI. And they will be involved with us in training them and shaping them up. So, we are doing a training program now for 12 people for managing some of the production-related things. But they will be on our roll after one year. Now, they will be undergoing training, sometimes directly at the OEM -- directly by the OEM, sometimes at the shop floor, sometimes in some technical institute.
- Manoj Shetty:** Okay.
- Unnikrishnan Nair PM:** Because we want to, let's say, de-culture some of the things, especially in quality aspects to what the OEM thinks.
- Manoj Shetty:** Okay.
- Unnikrishnan Nair PM:** This is very much required if you need to achieve a certain quality.
- Manoj Shetty:** Okay. So, now we may end up this year, let's say, with INR80 crores and next year another 30%. So, that would take around INR104 crores or INR110 crores of revenue. So, how many more people you would require in addition to this 140?
- Unnikrishnan Nair PM:** Now, like I said, the first level of recruitment for the sites and deployment will purely depend on the contract we signed. We just started many sites. We started a site in Hindustan Aeronautics Limited. They need two people, so we put two people there. Now, we have to put people in Nagpur. We have to put people in, more people in Noida. So, these airports we will deploy as per the contract. So, it already looks like we need almost 50 people for managing the three sites itself. For production, we have all the senior top management, middle management fully set.
- Now, depending upon the workload, we will hire skilled labourers wherever that is required. This is for, let's say, manual work because it involves a movement of heavy parts and things like that. And another set of trained people which we are training ourselves and our regular production people will head that. So, there we do not see a big hike in recruitment.

- Manoj Shetty:** Okay. So, this is basically for the new agreements which demands the maintenance or the facilities, then only you would require additional people.
- Unnikrishnan Nair PM:** Yes. As we sign each contract for sites, then depending upon those contracts, we have to deploy certain skill sets and people.
- Manoj Shetty:** Correct. So, whereas for the increase in the production of Make in India vehicles, you already have enough people in the plant to take care of, let's say, INR120 crores, INR140 crores type of...?
- Unnikrishnan Nair PM:** Yes. For example, the key competence areas like engineering and design, supply chain management and the shop floor senior management are all set and the stores.
- Manoj Shetty:** Okay.
- Unnikrishnan Nair PM:** Yes. And the logistics. This is our -- I don't know, maybe 15, 17-year-old team, some of the them -- most of them.
- Manoj Shetty:** Okay. Good.
- Unnikrishnan Nair PM:** They are all geared up to handle this. And if there is an intensive, quick assembly process that needs to be done, then we will look up for scaling up of labour as that is required. But quite a lot of things are driven by machine.
- Manoj Shetty:** Okay. Sir, my last question is, it is regarding a change in the nature of Anlon's work. Earlier, you were importing and selling this machine to the local airports. Now that you have widened by making those machines in India now. So, then now you are saying you are taking a next step of outsourcing the entire fire and safety operation in an airport or maybe in a plant or factory or so.
- And then you are also trying to take care of the international service from the neighborhood country. So, that means your scope of work is getting enlarged as we are progressing day by day. So, my question is, with this in mind, is, are you seeing any increase in competition? Any new players are coming, seeing that Anlon is able to do so much of work, adding so much of, you know, different vehicles, different area of operation and all. Are you seeing any increase in the competition?
- Unnikrishnan Nair PM:** Competition is always there. In almost every field, we see competition. For example, if you take a new field of looking at the airside maintenance, you look at an airside, the most complicated machinery is the Crash Fire Tender.
- The second most complex automotive component is the Runway Rubber Removal machine. Runway Rubber Removal is one of the most complex automotive piece, which uses an extremely ultra-high pressure pump and the circuit system which can even penetrate concrete.
- So, due to this experience, they are saying, okay, if the guys who are handling the complicated machinery, let them also handle cranes and jeeps and all other things. So, that is giving us a competitive advantage.

- Manoj Shetty:** Okay.
- Unnikrishnan Nair PM:** Of course, there was competition in Noida, but some, the client looked at several parameters and this was done not in India. It was done in Switzerland, the qualification and the selection of vendor. Okay. So, therefore, that doesn't, that has no any other local influence or anything like that. They went through a purely professional selection process.
- Manoj Shetty:** So, now you mean to...
- Unnikrishnan Nair PM:** Pardon me.
- Manoj Shetty:** Sorry, sir. Please go ahead, sir.
- Unnikrishnan Nair PM:** Yes. So, therefore, a lot of expansion projects are coming from realization of competence or possibility. For example, they never thought to discuss with us doing a remanufacturing of a CFT until we remanufactured one of their largest vehicle and supply to the customer and customer accepted it. All these while they have been quiet.
- They were just watching and they were sending people to inspect what we are doing. So, let's say you work hard in some area, you put a lot of dedication and commitment to the area, then I think the growth is natural. It is, it will just happen like that.
- So, therefore, there is competition, but the niche area that we are in, there is a certain, I am not basking in my past glory. I am just saying that whatever sweat and blood that has gone into the work has kind of come back as a result.
- Manoj Shetty:** Okay. It is nice to talking to you, sir. Yes, yes, yes. Thank you very much for answering all my questions patiently, sir. Wish you all the best. Thank you.
- Unnikrishnan Nair PM:** Thank you so much, Mr. Shetty.
- Moderator:** Thank you. The last question comes from the line of Siva Prakash, an Individual Investor. Please go ahead.
- Siva Prakash:** Hello. Hi, sir. Am I audible?
- Unnikrishnan Nair PM:** Yes, it would be better if you are a little more louder. Thank you.
- Siva Prakash:** Sure, sir. Yes. Congratulations on your great set of numbers that you have, sir.
- Unnikrishnan Nair PM:** Thank you.
- Siva Prakash:** So, I've joined the call a bit late. So, kindly ignore if this question has already been addressed. So, you mentioned about the site module cleaning machines, right? And Anlon being the only qualified vendor. So, could you share a bit more on the R&D trends, like how much time you had to put in and are we looking at any other similar products in the future?
- Unnikrishnan Nair PM:** Right. Regarding the site module, our OEM, the Weigel, the TrackJet, they probably have something like 75 worldwide installations, including Heathrow, Hong Kong, Paris-Charles de

Gaulle, all these airports, Gatwick, London, several airports, including in England and in South Africa. So, the site module is -- India, what had been and even now have been an Indian specific requirement.

The reason is in Europe, in England and the United States, some parts of Africa, the front module one. The front module one has low ground clearance. So, that is you can safely drive them from airport to airport. However, when it comes to India, some of our road conditions do not support a front module vehicle.

So, in 2008, Airports Authority of India, who were the only multi-airport operator at that time, because until then GVK had only Bombay, GMR had only Delhi and Hyderabad. So, Cochin had only Cochin. So, Airports Authority of India was only the airport having multiple airports.

So, they wanted to drive between airports. So, they asked the Weigel, what is the solution? We need a truck that is suitable for Indian road conditions. To answer to that question, they developed the site module. And unfortunately for us, the entire history before we took over this product, they had sold only two side module machines. So, the knowledge about the side module machine has been very, very limited, even in Germany.

And we had the challenge of making seven of them, sorry, six of them in India. So, this is why we are saying we have been one of the most successful and probably the first to make a site module machine that is foldable. And you can drive between airport to airport. So, this is a typically innovative solution for the Indian market, which Airports Authority of India liked very much.

**Siva Prakash:** Got it sir, thank you so much for that.

**Unnikrishnan Nair PM:** Yes, have I explained Mr. Siva Prakash? You can feel free to ask me if you have any more questions.

**Siva Prakash:** Sure sir, yes. So, I had another question. So, on your recent investor presentation, so on the runway rubber removal machine, we can see that the product's contribution has changed by a lot when you look at the previous half's presentation and this presentation.

So, I think it is roughly around 25% to 30% right now and on previous it was 5% to 10%. So, is this more of a one-time seasonal thing or is this more like a structural shift towards a product mix only? Sir, if I may answer, yes.

**Unnikrishnan Nair PM:** Mr. Siv, actually, if you see, it is purely on the basis of the orders what we received under manufacturing and assembly. So, we delivered about four new runway rubber removal machine, which is other than the firefighting and also one refurbishment. So, that is why the product mix has changed.

So, if you ask us, will it be following the same trend in the future? It will not be because it purely depending on what kind of products, I mean, what kind of products we get it in the future. One thing is very sure that it is not going to be 80% for firefighting what we are doing it from four past years.

- Siva Prakash:** Understood sir, yes. Thank you so much.
- Moderator:** Thank you, sir. In the interest of time, this was the last question for today's conference call. I now hand the conference over to Unnikrishnan Nair sir, for closing comments. Over to you, sir.
- Unnikrishnan Nair PM:** Yes, in conclusion, we had to take some strategic decisions. We had to concentrate on certain things. So, if you have to look at the long-lasting growth, some areas we had to go a little slower than that is expected to avoid unexpected surprises. So, therefore, now we have thanks for your patience.
- Now, we have built a platform. I think in the coming years would be to grow from that the platform that we have established both nationally and internationally. And I really want to thank you for your support, your continued trust on us and kindly stay with us and help us to grow. Please feel free to give us your feedback. We will be open to receive whatever suggestions you have.
- Really want to thank you for this time. Thank you for the organizers, Palak and many of our associates. Just want to thank you, especially people like from many of our associates, we really want to thank you. Thanks to Anlon team who worked hard, and delivered way beyond. Some of their results have surprised me pleasantly, which is a proof of the country's resilience and strength to grow, the appetite to grow.
- India remains the most – the country with most hungry young people. That has been our strength. Thank you so much and you all have a very nice weekend. Thank you.
- Moderator:** Thank you. Thank you, sir. Thank you, everyone. On behalf of Anlon Technology Solutions Limited, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.
- Management:** Thank you.