



## Z-TECH (INDIA) LIMITED

(Formerly known as "Z-TECH (INDIA) PRIVATE LIMITED")

CIN: U74899DL1994PLC062582

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To,

The Manager,  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E), Mumbai -400 051

**NSE Symbol: ZTECH**

**Subject: Filing of the transcript of earnings call with analysts and investors under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sirs/ Ma'am,

Further to our intimation on November 08, 2024 intimating of the earnings call with analysts and investors to be hosted by the Company on November 14, 2024 please find enclosed herewith the transcript of the said earnings call for your reference and records.

The transcript of the earnings call will be posted on the Company's website at <https://www.z-techindia.com/financial-results>.

This is for your information and records.

Thanking you,

For Z-TECH (INDIA) LIMITED

Sanghamitra  
Borgohain

Digitally signed by  
Sanghamitra Borgohain  
Date: 2024.11.16 16:41:01  
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NAME: SANGHAMITRA BORGOHAIN  
DESIGNATION: MANAGING DIRECTOR  
DIN: 08578955  
DATE: 16<sup>TH</sup> NOVEMBER, 2024  
PLACE: DELHI



**“Z-Tech India Limited  
Q2 and H1 FY25 Earnings Conference Call”  
November 14, 2024**



**MANAGEMENT: MS. SANGHAMITRA BORGHAIN -- MANAGING  
DIRECTOR -- Z-TECH INDIA LIMITED  
MR. ANJANI GOYAL -- CHIEF FINANCIAL OFFICER --  
Z-TECH INDIA LIMITED  
MR. SUNIL GHORAWAT -- CHIEF BUSINESS OFFICER --  
Z-TECH INDIA LIMITED  
MR. ASHISH GOEL -- COMPANY SECRETARY AND  
COMPLIANCE OFFICER -- Z-TECH INDIA LIMITED  
ADFACTORS PR -- INVESTOR RELATIONS -- Z-TECH  
INDIA LIMITED**



**Moderator:**

Ladies and gentlemen, good day and welcome to Z-Tech India Limited Q2 and H1 FY25 Earnings Conference Call. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risk and uncertainties that are difficult to predict.

As a reminder, all participant line will be in listen-only mode, and there will be an opportunity for you to ask question after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that, this conference is being recorded.

I now hand the conference over to Ms. Sanghamitra Borgohain, Managing Director, from Z-Tech India Limited. Thank you and over to you, ma'am.

**Sanghamitra Borgohain:**

Hey Sejal, thank you so much and good morning everyone, and welcome to Z-Tech India Limited earnings call for the second quarter and half of the financial year 2025. I would like to begin by expressing my gratitude to all of you for taking your time and join us today. I have with me on the call today Mr. Anjani Goyal, Chief Financial Officer, Mr. Sunil Ghorawat, Chief Business Officer, Mr. Ashish Goel, Company Secretary and Compliance Officer, and Adfactors PR, our Investor Relations team. We have shared our results of the presentation. I hope you must have all received it.

I'm pleased to address here today as we take another step forward in our journey at Z-Tech India Limited. Our story is one of great resilience and an unwavering commitment to excellence. We are proud of the milestone we have achieved and as we look ahead, we remain focused on building a sustainable and prosperous future.

We would like to share a brief insight about the company, some recent developments and industry scenarios before we get into the business and financial performances of the second quarter of the financial year 2025.

Z-Tech India Limited was incorporated in the year 1994 with the core focus on civil construction business providing services related to designing, supplying and building retaining structures. In recent years, today we are actively engaged in sustainable theme park development, where our focus involves creating theme parks through the utilization of recycled scrap materials. Simultaneously, we are dedicated to implementing innovative wastewater management solutions for industrial units, employing the cutting-edge science technology.

This dual commitment underscores our holistic approach to sustainable practices, transforming discarded materials into recreational spaces, while efficiently managing industrial wastewater through the state-of-the-art technology. We have developed seven theme parks, mostly located in the Delhi NCR region. We have 25 upcoming theme parks.

We have completed total 31 projects and 52 projects are ongoing with a total order booking of INR173 crores. Our vision is to conceptualize, design and execute innovative solutions to underpin an environmentally conscious urban development and resilient business growth.



Our mission is to be catalyst for positive change and enable our clients to elevate health quotient of their engagement with environment and communities. One of our key achievements is our IPO listing on June 5, 2024. The journey began with filing our DRHP followed by the RHP and culminated in a successful IPO that was oversubscribed by more than 371 times.

We raised INR37.30 crores through the issuance of INR33.91 lakh new shares. The primary goals were to add the company's working capital needs, fund general corporate purposes and cover the associated expenses.

We are also proud to be listed on the prestigious NSE SME platform. This listing will enhance our visibility in the financial markets and pave the way for the future growth. Our growth is powered by the business model that combines efficiency with precision.

At Z-Tech, we emphasize careful project selection and cost optimization, ensuring that every step we take is in line with our goals. This approach supported by strategic planning and the use of modern construction equipment not only improves our operational efficiency but also enhances our profit margin. We conduct thorough technical surveys, feasibility studies and cost analysis to guarantee that each project is completed on time and within budget.

We have earned the trust of our clients through our consistent delivery of high quality services. With a presence in over 20 states across India, we are able to provide solutions tailored to the unique needs of our diverse clientele. Our experienced engineering and management team oversees all aspects of operations, administration and finance to minimize any risk of cost overrun or delay.

It is our rigorous oversight and dedication to quality assurance that has allowed us to build long-term relationships with many of our clients, some of whom have been with us for years and continue to give us repeat orders.

As part of our growth strategy, Z-Tech India is expanding our footprint beyond our current locations, particularly focusing on South India. These geographical expansion is crucial to tapping into new markets and exploring fresh opportunities.

Alongside this growth, we are firmly committed to sustainability. We operate with the environment in mind, exploring measures such as cover sheds, water sprinklers, windshields, product suspension, monitoring systems for pollutants and green vegetation around our facilities. This initiative not only helps us to meet environmental standards, but also reinforces our responsibility towards sustainable development.

Our internal R&D team is pivotal in driving our business forward. Our well-equipped R&D team works tirelessly to develop new products and enhance existing services based on the evolving needs of our customers. In this, it is this focus on research and innovation that allows us to stay ahead of the curve and deliver solutions that exceed expectations.

As we advance our dedication to deliver high-quality, cost-effective solutions and our proactive approach to sustainable development will drive us to achieve new milestones and exceed client

expectations. Thank you for your continued support as we build a future defined by excellent environmental stewardship.

Going forward, I would like to request Sunil ji to take us ahead with the recent development and the financial. Hello?

**Sunil Ghorawat:** Yes.

**Sanghamitra Borgohain:** Yes, Sunil, I would request you to say yes. Can you please go take forward from here?

**Sunil Ghorawat:** Thank you, Sanghamitra, and good morning, everyone. It's my pleasure to have you all on this second conference earnings call which we're doing. As you would have seen that India has gone through its general election cycle, which got over sometime in the month of June, and the new government formation has happened.

And as the second quarter began for the year, the excitement in terms of things moving forward also began. And it has been an interesting quarter in terms of the progress which we have been able to make, in spite of challenges of the monsoon, which usually a company like ours faces because of most of our work happens in an outdoor arena. But we are still very happy to probably take you through the exciting developments, which has happened over the last quarter and in terms of the business performance.

On July 11th, we opened our second park at Lucknow called Happiness Park. And it started with the expectation of turning around an existing park which wasn't doing anything for the government has turned out to be a stellar park in terms of is in a Lucknow landscape. We are very happy to inform that since its opening on July 11th of this year, in less than three months period, it had a footfall of more than 3 lakh people, 3 lakh paid visitors to this park, and which clearly, demonstrates the need for such parks, not only in Lucknow, but India as a whole, and that is largely demonstrated in terms of how our pipeline spans and everything else at this point of time. And I'll talk a little more about that as we go forward.

Also, we were in a position to execute another project at Jhansi, which has been made to commemorate the birth anniversary of Rani Lakshmbai, which is falling due on this month, on 19th of November. Apart from that, we bagged two more orders in Pimpri-Chinchwad area, on a different theme of Bollywood and World Park. We also received the work order, from Jammu, which is on the theme of something called Vishwa Ekta, the construction of all these projects have now started, from this month onwards.

As far as the geosynthetic civil engineering part of the work is concerned, we also bagged two more orders. One was from the J. Kumar and other was from another civil contractor called Shree Balaji.

The other good thing which happened in terms of the geosynthetics business is that we have got a professional CEO on board to probably, take that business to the next level. He brings in immense wealth of experience from the corporate field and to probably, take business to the next level. We also – we're happy to induct Dr. Sameer Shukla. He is a known geotechnical expert

based out of Australia. He has also joined us on the -- as a technical advisor to expand our scope of offering as we build the geotechnical business going forward.

As I have mentioned earlier from an industry point of view, all our segments are growth sectors, and they are seeing significant amount of growth for various reasons. If I talk from a theme park point of view with the increasing disposable income with, less and less, outdoor arena available for people apart from going to the malls, etc., there is a need for more these community-based theme parks, which we have been building up, and we see that industry to probably keep growing at a significant pace.

Same goes for our, water, wastewater business. There again, we all know the scarcity of water, which continues to build in different parts of the country, and our endeavour to recycle the water at the same time, take out the chemicals from the wastewater is a very unique proposition.

And with the more focus on water recycling, and as we commercialize the technology further, we see that segment to probably continue to perform in a manner, which probably is apt for a growing industry like recycling. The geotechnical business has been dependent on the growth of the overall infrastructure sector, and we see a lot of progress being made on infrastructure side. More highways are being built there.

Our applications are very aptly suited with the river embankment projects which are going on, or to the landslide protection, projects which are going on. We see growth going forward in all our segments, as we currently are already seeing in terms of our inquiry pipeline.

In terms of our financial performance, the second quarter, we achieved a net revenue of around INR19 plus crores, which was an increase of around 2.5% from year-on-year -- mind you that, last H1 -- last quarter time, we didn't have the overhang, of the election season. And this year, because of the Code of Conduct being in place, starting beginning of March, there was always a kind of a pressure in terms of what we do it, but we are very happy to see that in spite of that, because of our business model, because we had already started some of the operating parks in the current quarter, we were still able to probably have a growth.

Our EBITDA, stands at around INR3.8 crores in the Q2 of F'25 against EBITDA of INR4.78 crores in the last financial -- last quarter, last Q2 of FY24. There has been a degrowth there on the EBITDA with a very planned move towards ramping up the organization post our IPO. We have been building up the organization, as we have mentioned earlier, in terms of beefing up our team. As we are also now operating these parks, the team had to be built in.

We have also increased our marketing expenditure to keep increasing the footfall and the visibility of these parks. And you will see the effect of the all these, which has been done in the coming H2 of the year. And as known is that H2 is always better in terms of our outdoor activities, because the weather has significantly improved.

The first quarter of the first half of the year usually faces challenges of heat, and then the second quarter is largely subdued because of the monsoon. But we took the opportunity to build the organization, so that the H2 can be fully utilized enough. Our EPS stood at INR 2.34 crores in Q2 of FY25. Profit after-tax was INR 3 crores in Q2 of FY25, against INR 3.68 crores in the

last Q2 of FY24. When I consolidate that and probably present at the half yearly level, our net revenue has increased 20 plus percentage to INR 35.27 crores. Our EBITDA also has increased around 21.52%, compared to INR 7.21 crores this H1 compared to INR 5.93 crores in the last H1.

And profit after-tax, stands at INR 5.35 crores versus INR 4.71 crores in the last H1 of '24. Again, an increase of around 14%. And our EPS is at -- for the half yearly level, stands at around 4.6. And as we see based on the performance and as we see based on our pipeline, we see significant, action happening in the next five months and which will be very sure in terms of that how it is going to propel us to a different level by end of this financial year.

So, this is all from our side, and we can take any questions if anyone has.

- Moderator:** The first question is from the line of Rahil Dasania from MAPL. Please go ahead.
- Rahil Dasania:** Hi, sir. Am I audible?
- Sunil Ghorawat:** Yes, please.
- Moderator:** Sorry to interrupt you, sir. I would request you to please use your handset.
- Rahil Dasania:** Yes. So, first of all, good morning and thank you for this opportunity. My first question is how much would be our operational expenses as a percentage of the O&M revenues that we are generating from these parks as of date? And how will this percentage change as we keep on adding new services?
- Sunil Ghorawat:** Anjani, would you have a specific number? But what I can tell you is that operating level, when I look at the unit economics of a park, my operating expenses of any park is around 20%.
- Moderator:** Mr. Rahil, does that answer your question?
- Rahil Dasania:** Okay. And how much would be ticketing as a percentage of the total O&M revenue?
- Sunil Ghorawat:** Ticketing would be almost 60% to 65% would be the ticketing revenue. The balance would be coming from the rental income, rate share on the various F&B activities, branding, sponsorship, etc.
- Rahil Dasania:** Okay. And are the ticketing prices under our control or are they under complete control of the government or the state authority?
- Sunil Ghorawat:** It is -- it is jointly decided. So, and it also has an escalation clause built into it. But you need to keep in mind the business model has been developed along with government's involvement in terms of providing their land, their scrap, and the capex as well. So, obviously, the idea is to probably make the parks affordable to people at large.

Just to give you a perspective that, when I look at two parks in Lucknow, since beginning an average age of, let's say, four and a half months of these parks, we have had close to almost eight

lakh -- seven and a half to eight lakh visitors. That is possible only because we have kept the pricing in a way that probably a large number of people can visit the park.

And that's when the government contribution is significant. Obviously, they have a say in terms of the pricing. Having said that, as a company, now we are also getting opportunity where people are coming forward and saying that, okay, we have land, why don't we do it in a joint venture basis, and do it on a private basis.

The moment I go into that kind of a model, then I have the full pricing power. But then I need to figure out the capital involvement and all those kinds of things, which I don't need to currently do it.

**Rahil Dasania:** Okay, that's interesting. So why I'm asking this question is because we have seen the government has regulated prices on a lot of the services, the most recent being the toll incomes. So what I was trying to understand is not on the increasing side, but can we see the government regulating these INR100, it gets to maybe INR30 INR40 after a point of time and because of that, we may be taking a hit.

**Sunil Ghorawat:** They don't have that right to do that, right? You know, I might not be able to increase, let's say from INR100 to INR500, you know, if my clauses are built, let's say that every two years, I'm going to increase 10%. I can do that. I can't take it to INR100 to INR500. Similarly, they don't have a right to reduce the price also, because I have to bear the operating expenses.

**Rahil Dasania:** Got it. And so my next question is around the Geotech segment. So Geotech has a huge order book of around INR95 crores. So first of all, I want to understand what changed, since previously it wasn't going at all, or have we always had such a large order book and we have lacked that execution?

**Sunil Ghorawat:** We always had significant order book. But till we had beefed up our working capital and all, we decided to go slow in that terms of getting orders. Z-Tech is a fairly well-known name in the geotechnical industry, so getting orders have never been problem. And now we are accelerating the growth by having a better team at place, probably we have an ability to execute larger orders, more volume of orders. So that's where we probably intend to see more growth happening as we go forward.

**Rahil Dasania:** Okay. And considering the execution timeline you have shared for this in the last con call being 18 to 24 months, and since we have barely done INR3 crores to INR4 crores in Geotech in the first half, can we at least see INR60 crores to INR70 crores of sales in FY 2026 from Geotech?

**Sunil Ghorawat:** FY 2026?

**Rahil Dasania:** Yes.

**Sunil Ghorawat:** FY 2026, yes, means, you know, I expect that we will be able to do minimum of INR 50 crores in – and we are able to – sometimes the challenge on these infrastructure project is not from our end, it also is from a site conditions. This last quarter has been challenging from a point of view, because many of our project sites were inundated by the floods, because the rains have been



significant this time compared to last year. Now, that slows down in terms of our execution, which in turn slows down our billing cycle and all, but we expect that as we have more spread of orders, across the country, we should be able to reach that number.

**Moderator:** The next question is from the line of Sudhir from Breda Family Office. Please go ahead.

**Sudhir:** Yes, good afternoon, sir. Sir, I just wanted to understand the wastewater management and Zs Technology, which you are referring to extracting the metal from the wastewater, because I think that kind of technology nobody has. So, how far you have been successful in the project you have implemented? What is the cost-benefit analysis? How it has been going on? I just wanted to understand it.

**Sunil Ghorawat:** I have – what we have been doing right now is that, when you look at the recycling as a whole, the metal comes in play and so does the chemicals. At this point of time, our focus largely remains in terms of the chemicals which have a larger resale value. And we selected chemicals like sodium sulphate, acetic acid, potassium sulphate, which can be reused, you know, as our first primary target.

And as a company, we have been reasonably successful to commercialize that technology that today we have, blue-chip customers which remains there like Grasim, GACL, GNAL, Cancor. But at the same time, being us the only player, the task becomes equally difficult that because we need to go and sell the idea, technology everywhere, and which is what we are trying to do as we speak, you know. So, we chose the difficult path.

We took more of the challenging customer to start with, and we have successfully demonstrated it. I see that there is a significant growth opportunity, but at the same time, it requires a little more patience in terms of pushing it to the customers because we are the only one.

Now, “The proof of the pudding is in eating”, so a lot of customers say, its better you invest. You take chemical, you take water. So we need to also figure out what probably should be the right business model. And I see more and more chemicals getting added in terms of our bouquet of offering. And as we do that, we feel that there will be growing opportunity in this segment as well.

**Sudhir:** How big this business could be because I think wastewater treatment itself is a big business and then now extracting chemicals and this is yet another vertical, how big?

**Sunil Ghorawat:** Wastewater, sir, you know, you can divide wastewater in two ways. One is sewage waste and other is an industrial waste, right? Sewage waste is a, you know, fairly large, must be at least, \$20 billion, \$30 billion industry in India itself. We are not talking about the sewage waste here. We are only talking about one highly specialized segment of industrial waste. Industrial waste may be any and every industry is generating wastewater.

You know, you can take any steel industry has a significant of wastewater comes out of their process, but it's fairly easy and the chemical in it doesn't have much value. So they don't necessarily do the extraction of chemicals from such wastewater. Our focus primarily remains

in taking out chemicals which has a lot of residual value. That residual value will compensate for the investment into a capex plant, so that they can justify their investment.

You know, usually we probably suggest this kind of a project where the payback of the plant itself can be two, three years on one side and the second side they can get free treated water which they can reuse. And as I see it in India, this requirement is close to around, even a very super specialized area would be INR 2,000 crores, INR 3,000 crores requirement which is getting treated in a different way, but not in the way which we are treating, where we ensure that the purity of chemical is 99%.

**Moderator:** Thank you. The next question is from the line of Manohar Rao from MyCapital. Please go ahead. Mr. Manohar, I would request you to unmute your line and speak, please. Due to no response from the current participant, we will move on to the next participant.

The next question is from the line of Ashish Soni from Family Office Investment Services. Please go ahead.

**Ashish Soni:** This is regarding your guidance. So what do you see FY 2025 and 2026 turning out to based on whatever future you are seeing right now?

**Sunil Ghorawat:** FY 2025, 2026, you know.

**Ashish Soni:** Yes.

**Sunil Ghorawat:** So, FY 2025, probably we expect to do around INR 110 crores INR 120 crores of top line with a pack of around INR20 crores.

**Ashish Soni:** And FY 2026?

**Sunil Ghorawat:** FY 2026 that probably should be in the range of around INR 50 crores, with a top line of around INR 200 crores to INR 250 crores.

**Ashish Soni:** And in your deck, you put that international theme park interest is also there. So, any updates you want to share and pipeline you're seeing or discussions?

**Sunil Ghorawat:** The pipeline is increasing, but we have been inundated with so many leads here in India as of now. And as I mentioned in my previous call also that we are trying to ramp up the team aggressively, because as we speak, we have almost around 41 different projects which are at various stages of discussion or finalization within India itself. Now, I feel that we can't let that opportunity go. And it also helps us fine tune our offering as well. So that when we enter into the international market, we are working to the perfection.

And, you know, we can still have a little bit of a variations which we can play with. There we'll have a limited opportunity. So, we are taking our time to push the international market, but we definitely want to establish our first spark in the next year in any international arena, you know.

- Ashish Soni:** Just to follow-up on the last participant question on the industrial waste water, you said INR 2000 crores market. So how much of market share you want to capture there in that INR 2000 crores you mentioned?
- Sunil Ghorawat:** I feel, you know, we will be able to capture around 5% market of that in next couple of years is because we are targeting only few compounds to start with. And then we want to keep adding, as we have done more of those then we want to add more compounds, because it's like a very tech-driven process of piloting every kind of a waste, which is coming for extraction. So, that's how I feel realistically that's where we will reach.
- Manohar Rao** Okay, sir. All the best.
- Sunil Ghorawat:** Thank you.
- Moderator:** Thank you. The next question is from the line of Kaushal Sharma from Equinox Capital Ventures Pvt. Ltd. Please go ahead.
- Kaushal Sharma:** Hi, sir. Good morning. Good afternoon, sir. Am I audible?
- Sunil Ghorawat:** Yes, yes, you are.
- Kaushal Sharma:** Sir, you have guided that we are having around INR 173 crores of order book. So, could you please provide the segmental breakup?
- Sunil Ghorawat:** I believe the segmental order is also given there. Anjani, can you give the breakup, please?
- Anjani Goyal:** Yes, sir. For geotechnical, we have the order book of somewhere around INR 97 crores.
- Kaushal Sharma:** Okay.
- Anjani Goyal:** For Waste water management, we have an order book of INR 20.71 crores. And for the sustainable theme park, we have the order book of INR 104 crores.
- Kaushal Sharma:** But, sir, it is not valid with this INR 173 crores.
- Sunil Ghorawat:** It is not tallying...
- Anjani Goyal:** Sorry.
- Sunil Ghorawat:** It is not tallying, Anjani, your numbers are not tallying. He is right. One second. Let me just open my file.
- Anjani Goyal:** We have mentioned the order book of INR 173 crores.
- Sunil Ghorawat:** Yes. So, what you are saying probably is add to INR 210 crores.
- Kaushal Sharma:** Correct.

- Sunil Ghorawat:** Out of that, we have some execution as well for the geotechnical and Waste water. Then your pending orders would be in the range of around 170 crores.
- Kaushal Sharma:** Okay. So, this is unexecuted order book, correct, 173 crores?
- Sunil Ghorawat:** Yes.
- Kaushal Sharma:** And that you mentioned in the presentation that includes some executive orders.
- Sunil Ghorawat:** Yes.
- Kaushal Sharma:** Okay. And, sir, could you please give me the answer, because we can see that our cash flow is depressed, because we are not able to realize the data that today is increasing. So, what is the reason? Are we facing any challenges?
- Sunil Ghorawat:** No, sir. Two, three reasons. If you look at in terms of aging-wise analysis, typically when we do these projects, our average realization cycle on the project is around 60 to 90 days, number one.
- Number two, the numbers which you are seeing also includes the retention dues. So, there is any projects which we do, whether it's a geotechnical is concerned or whether it's on water is concerned or theme park is concerned, certain part is retaining for a period of one year. So, if I look at it, the area where probably right now we have around INR 6, INR 7 crores or INR 8 crores is probably which is little stretched in couple of projects. That also is more for technical reason, but it's all secured.
- And just to give you an example, we did a project for an MP-led fund in Delhi and they wanted to really get the project started before the code of conduct happens. Now, we were also being pushed and so we executed the job, and unfortunately that MP whose fund it was getting funded, MP didn't get the ticket itself. And then the code of conduct happened and now they are trying to figure out that how this gets rolled into the other MP and probably from there the fund gets released. So, that process probably has taken time. So, INR 3 crores, INR 4 crores is kind of a stuck there, but it's like all safe.
- So, we don't see that as a challenge. So, when you see these numbers as a consolidated data, it has like retention due, which will sell will be around INR 10 crores, INR 12 crores. And then also, the quarter ending or the half year ending, even we have that push that do the billing and subsequently in the month of October, November, many of them have been already recovered.
- Kaushal Sharma:** Okay. Okay, sir. Thank you. And you have mentioned that we are having around INR 104 crores of order books relating to theme park. Could you please give me the timeline for the execution?
- Sunil Ghorawat:** Sir, out of that INR104 crores, almost INR 30-odd crores is a maintenance contract of three parks, so which probably will go on for a long period of time for next eight years. Apart from that, if you take that INR 30 crores out, the INR 70 crores, INR 80 crores will get executed over a period of next six to eight months.
- Moderator:** Thank you. The next question is from the line of Sushil from ThinkWealth. Please go ahead.

**Sushil:** Yes, sir. Sir, my question is to Anjani sir, that when we get an order, let's say, when we do a PPE model with the government, and let's say, we get an order of, let us say, INR 10 crores, and let's say, INR 2 crores we have to invest and INR8 crores is being funded by the government. So, after that INR 8 crores, we must be having some EPC margin also. So, just wanted to understand on the -- based on the accounting way, how it happens like that, the INR 2 crores which we invest comes under PPE, right?

**Anjani Goyal:** Yes, that's our investment part, we have -- we are capitalizing in our books.

**Sushil:** Okay. And like for INR 8 crores, let's say our margin is INR 2 crores. So, how we book that margin?

**Anjani Goyal:** That is...

**Sunil Ghorawat:** Part of our profit, no?

**Anjani Goyal:** Yes.

**Sushil:** Yes. So, that we book directly into P&L, that INR 2 crores, but it comes on the...

**Sunil Ghorawat:** Let's say, if we have a INR 4 crores of total margin, INR 2 crores get capitalized, and INR 2 crores comes in the P&L.

**Sushil:** Okay. And rest, all the ticketing services revenue that are all different, right?

**Sunil Ghorawat:** All are in the P&L then, it comes added to the P&L.

**Sushil:** These are like apart from that INR 4 crores.

**Sunil Ghorawat:** Yes, yes. Apart from that INR 2 crores.

**Sushil:** INR 2 crores in the P&L, and then apart from that INR 2 crores from the P&L, right?

**Sunil Ghorawat:** Yes, yes.

**Sushil:** And from that INR 2 crores, which will be our investment, which will be shown under plant and machinery, right, which we invest?

**Sunil Ghorawat:** Anjani, where do you show that INR 2 crores investment in which head?

**Anjani Goyal:** Under assets, under the head of intangible assets.

**Sushil:** Sorry?

**Anjani Goyal:** Intangible assets, under the head of assets.

**Sushil:** Intangible assets? But sir, we are investing then how it can come under intangible assets? Hello?

**Anjani Goyal:** Yes, yes.

- Sushil:** Hello? Yes, sir, I am saying that we are investing that INR 2 crores, so that outflow of cash is going on then how can it come under intangible asset?
- Sunil Ghorawat:** Anjani, please look and answer, don't get -- just look at it calmly and then answer, because I don't have that balance sheet in front of me, I would have answered otherwise. We can come back to your question again. In the meantime, we can move forward. We will answer your question. We will clarify it to you.
- Sushil:** Okay. Okay, sir. And my second question is that, sir, since we are guiding it -- that we'll get -- we are guiding that we'll be doing INR 50 crores PAT in FY '26, and our revenue will be around INR 450 crores. So just...
- Sunil Ghorawat:** I never said INR450 crores. I said INR 200 crores to INR 250 crores.
- Sushil:** Okay, sorry. INR 200 crores to INR 250 crores. So, so my question is that, like whatever the guidance or estimates we are giving, since it's based on the like current order book, and are we seeing that apart from into order inflow is also very healthy?
- Sunil Ghorawat:** It is -- we have -- I am assuming it based on all the inquiry funnel, which we have, okay, which we intend to probably and there is almost, for example, on theme parks, there are approximately INR 162 crores worth of tenders, which are under coming out anytime, and which will get then executed over a period of next 12 months.
- Sushil:** Okay. And sir, in Water waste, Water waste treatment and Geo segment, do you expect the order inflow healthy, or you are seeing some slowdown in that segment?
- Sunil Ghorawat:** No, we don't see slowdown in the Geotech. The Water is not a slowdown. It's just a slow process of conversion.
- Sushil:** Okay.
- Sunil Ghorawat:** There are leads, which probably are there. But as I said that every effluent, which we get goes through a pilot test at our lab. Once the pilot test, so the conversion cycle is long. And we have just started ramping up the team now. After doing multiple successful installations, now we feel that we are fully geared to commercialize it.
- Sushil:** And do we see some compression in EBITDA margin? Because since, we are ramping up team, but -- ramping up the team, but revenue will come little later, so we have to do some upfront expenses. So do we see that in the near term, we might be seeing compression in EBITDA margin?
- Sunil Ghorawat:** I think, you know, we have -- you have seen something in this last quarter itself, so as an overall at the first half level we have done better. But if you look at last quarter, post our IPO, we have started ramping up the organization faster. And I feel some of the ramp up has happened. I don't see that kind of an impact coming in, because we have three parks which are going to come on stream by end of December, so which will make it to almost five operating parks from two operating parks, and which will start throwing much better numbers to make up for whatever

investments which we are doing. We expect to add two more parks by end of end of March. So that will make it seven parks, operating by end of March. So I don't see any concern on that front.

**Moderator:** Thank you. The next question is from the line of Ajaykumar Surya from Niveshaay Investment Advisory. Please go ahead.

**Ajaykumar Surya:** Yes. So my question was on, what would you split between our EPC revenue and the ONM revenue for the Park business for the current quarter?

**Sunil Ghorawat:** For the previous quarter, you meant?

**Ajaykumar Surya:** No, no, I'm asking what would, you split between, the ONM and the EPC revenue for the current quarter. I mean, Q2, FY 2025.

**Sunil Ghorawat:** Q3 of 2025 or Q2 of 2025, you're saying?

**Ajaykumar Surya:** Q2, Q2.

**Sunil Ghorawat:** Q2 of 2025, our -- it will be almost like close to around two-third, one-third.

**Ajaykumar Surya:** Okay. Okay. And one more question. I mean, you already answered it, but just I want more clarity also. So we probably have done all the expenses given building up of the team and probably seven more parks would be getting operational by the end of this financial year, so can you...

**Sunil Ghorawat:** Five more parks.

**Ajaykumar Surya:** Hello?

**Sunil Ghorawat:** Five more parks, two are already operational, sir.

**Ajaykumar Surya:** You mean, total seven would be operational by the end of this financial year.

**Sunil Ghorawat:** Yes sir.

**Ajaykumar Surya:** So can we, -- I mean, can we expect the margins to, let's say, inch up towards, let's say, 25%, 26%?

**Sunil Ghorawat:** We expect it to be probably in the range of around 18%, 20%, as we see currently. Because we have to keep building in on some of these parks when we start, so there is that initial spurt of expenses are also there. But we still expect that it will be in the range of 18%, 20%. Next year, it might go up to 25%.

Because as the parks probably also gets in a little more streamlined, other revenue source starts kicking in. So for example, we still haven't seen much revenue coming in from branding, sponsorships, those kinds of things, advertisement, which now we have started going out in the field, which directly comes to the bottom-line.

- Ajaykumar Surya:** Got it. Got it. And I mean, already you said that probably was INR 162 crores worth of tenders will be soon coming out. But have we bid for tenders, which have probably come out and have we participated in it? What would be the value of those tenders, if you could just give an idea on that?
- Sunil Ghorawat:** So as we speak, we have almost 20, as we speak, I'll just tell you that currently we have INR30 crores worth of tenders which are getting awarded, in my opinion, in probably next 10-20 days, you know, around INR 150 crores worth of tenders, which are there needs to be floated and then awarded, which probably should take a cycle of around 60 days.
- And we have around 26 more cities, which are at the various stages of discussion. So these under preparation probably under which are the tenders which are supposed to come out around 11 number, and the tenders which are yet to come out is around 26 numbers. So if you look at all together, it's around 37 more orders, which we are working on as we speak. This is I'm only talking about Theme Parks.
- Ajaykumar Surya:** Got it. Got it. And sir probably we'll execute about INR60-80 crores by the end of this year. So probably two-three of our major parks, that is Shaheedi, Bharat and Waste to Wonder will probably get executed this financial year only, right?
- Sunil Ghorawat:** No, so the Bharat Darshan Park and all what we see is executed, that's a maintenance revenue. So what will get executed is the other orders which we have seen. Shivalay Park is one very big park, which is being spoken about to be started in the month of December. And we are expecting, Prime Minister to probably inaugurate that.
- We in fact, have been yesterday we were asked for details about, UP Darshan Park which might get mentioned even in Mann Ki Baat. So we are getting all those positive headwinds in order to probably take it to the next level.
- Ajaykumar Surya:** Got it. But the Bharat Park, which you told, which is a maintenance contract, but we are not getting ticketing revenue from that park, right? It is just the maintenance...
- Sunil Ghorawat:** No, no, we don't get any ticketing revenue from them, no. But we get other revenue like food, events and other things.
- Ajaykumar Surya:** Got it. Got it. And when you include food – I mean non-ticketing revenue into your accounts do we include the government portion also? And then, probably you would give it out rest 50% to them or you just include your portion of the revenue?
- Sunil Ghorawat:** No, so we include that. And we give it out to the government.
- Ajaykumar Surya:** Okay. Okay. Got it. Thank you so much. That was all from my side.
- Sunil Ghorawat:** Thank you.
- Moderator:** Thank you. The next question is from the line of Mahesh Atal from Atal and Associates. Please go ahead.



- Mahesh Atal:** So out of this INR 19 crores revenue that we have moved in first half, so could you just tell me like, what could be the portion of the park in this park business?
- Sunil Ghorawat:** Anjani, what's the split?
- Anjani Goyal:** Sorry, sir?
- Sunil Ghorawat:** Anjani, what is the split of INR 19 crores? How much is the park? How much is the other businesses?
- Anjani Goyal:** For revenue?
- Sunil Ghorawat:** Yes.
- Anjani Goyal:** Sir, break-up is for the Geotechnical for quarter two is INR 2.5 crores and the water, Wastewater Management is INR 1.13 crores and for the theme Park is INR 15.38 crores out of that INR 19.04 crores.
- Mahesh Atal:** My follow-up on this would be, how many parks do we have under our kitty currently?
- Sunil Ghorawat:** In terms of currently around 10 parks, I -- numbers keep adding up. So some parks are under maintenance, some parks are under our operation and management, some parks which are under construction.
- Mahesh Atal:** So, no, no, I'm talking about the operational things, operational parks. How many are there currently? Considering the two that you have done in this year?
- Sunil Ghorawat:** Sir, can you repeat your question again?
- Mahesh Atal:** Considering the two parks that we have done this year, total operational parks as of now, how many are there?
- Sunil Ghorawat:** There are -- so there are only two parks which we are currently operating. By end of December, this number will move up to five. By end of March, it will move up to seven.
- Mahesh Atal:** Oh, so what you're, -- so you're generating around INR 15 crores of revenue from these two parks?
- Sunil Ghorawat:** No, no, no, no. That also includes the ETCs revenue, no?
- Mahesh Atal:** Okay. So, the building of park that thing also is included?
- Sunil Ghorawat:** Absolutely.
- Mahesh Atal:** Can you tell me the ONM out of this INR 15 crores?
- Sunil Ghorawat:** ONM is probably what? It would be less than INR 1 crores. So, the ONM will not grow significantly. The ticketing and the other part will grow significantly. And obviously, the ETC part will grow along with it.

**Mahesh Atal:** Okay. So, I could see that this, as such, our business on this park segment is not that, it's an asset-led model for us, right? So, we don't have to incur a lot of capex. Everything is on the manpower that you have to add on. So, what is stopping us from actually adding this thing on a very aggressive level? Because when you see...

**Sunil Ghorawat:** Also, it's a very specialized level of work. Today, as a company, we are the largest employer of artists and artisans in the country. So, making a thing out of a fresh material is easy. To visualize something from a waste material and then reconstructing requires a very specialized set of skill set.

And so, we are trying to do that, number one. Number two, all our parks right now, which we are doing so far, is with the active participation from the government. Government has to follow a transparent process of open tenders. That itself takes little time. Then, in this country, we have these regular issues of model code of conduct. So, for example, right now, I have multiple parks which are supposed to get finalized in Maharashtra, but has gone stalled right now because of the model code of conduct.

So, yes, there is an opportunity. We are working aggressively, but there are certain things which are beyond our control to probably grow at the speed which we want.

**Mahesh Atal:** So, basically, do these artisans and all, do we pay them a consulting charge or do we take them on roles?

**Sunil Ghorawat:** Artists?

**Mahesh Atal:** Yes, the artists and all.

**Sunil Ghorawat:** So, we have two kinds of artists. There are certain artists, senior artists, who are on our role. There are certain artists, who work on a retainer basis. And there are certain artists who work on a contract basis. So, all three kinds of models are in place.

**Mahesh Atal:** Okay. And out of this INR 160 crores tender that you said that will be opening up or are in the process of opening up, how much of this is in North India?

**Sunil Ghorawat:** How much is it North India? So, I'll tell you, West, East, West, around 36, around -- out of that, around INR 36 crores, INR 40 crores is from other than North India. So, North India will have the majority in a probably out of INR 150 crores, around INR 40 crores is from other than North India. So, INR 110 crores is still from North India.

**Mahesh Atal:** So, what we'll be seeing going forward is still we'll be having a lot of -- our major revenues will be coming from North only.

**Sunil Ghorawat:** Not necessarily, no. I feel that's changing pretty rapidly. We have now two parks which are coming up in Gujarat. We have three parks which are coming in Maharashtra. We have a park which is coming up in Odisha. We have a park which is going to come up in Meghalaya. We have certain parks which are under discussion. I'm not sure yet in Karnataka. So, they are

spreading, but the thing is obviously, we got an extreme amount of good traction in certain parts of North India and we are making sure we make the best use of it.

**Mahesh Atal:** And at the company internal level, sir, how is the management of these three businesses separately handled? Is it done by the, I mean, you and the team?

**Sunil Ghorawat:** So, the businesses are all professionally managed. I spend more of my time on theme park and theme park also the operation part is handled by a senior gentleman, with more experience than even me.

We have hired a CEO on Board for the geotechnical and water business. So, business is professionally managed. Sangamitra also comes from the geotechnical background. So, she's also more involved in that.

**Mahesh Atal:** Going forward, do you see any hirings, senior level hirings in this theme park thing?

**Sunil Ghorawat:** Yes, yes, we are constantly hiring. We have people coming on board starting next week onward, a couple of senior hires. So, we are constantly on lookout for good people, but we just don't want to just hire for the sake of hiring. Also, earlier this question about that intangible thing, which popped up in which Anjini was not able to explain it because he's under the weather. They are putting into the intangible since the benefit of the asset is over a concession period of 20 years and we amortize it over that period of 20 years.

**Mahesh Atal:** Right. And all these parks that you operate, do we have any period under which the park will be with us? Like any contract? There will be a contract with government that they will be having a park under our kitty for so and so years.

**Sunil Ghorawat:** Yes, so these are all usually 15-20 years contract, right? And after that, they'll probably be renewed. And usually in the government, these concessions, the person who is running it is usually the person who carries it forward, if he wants.

**Mahesh Atal:** Right. So, out of all our businesses, this theme park business holds the maximum margin, it's the highest margin business, right?

**Sunil Ghorawat:** Absolutely. No doubt about it.

**Mahesh Atal:** All right. Thank you. Thank you so much.

**Moderator:** Thank you. The next question is from the line of Tej Patel, who is an individual investor. Please go ahead.

**Tej Patel:** Yes. So, my question was, sir, you said out of about INR 15 odd crores of park business, INR 14 crores came from the EPC business, right? And INR 1 crores came from the operations, right?

**Sunil Ghorawat:** No, no. That's INR 1 crores is more like the maintenance I mentioned.

**Tej Patel:** Okay, okay.

- Sunil Ghorawat:** Ticketing and all is out of that balance INR 14 crores.
- Tej Patel:** Okay. So, how much would it be ticketing and non-ticking, let's say, from the two parks that we have right now?
- Sunil Ghorawat:** Ticketing would be in these two parks at this point of time would have been around INR 5 crores INR 6 crores. Anjani, how much would it be? Because I'm sorry, I'm mixing it with two quarters together. How much was the revenue from the ticketing and all in the last quarter?
- Anjani Goyal:** For the last quarter, somewhere around INR 2 crores we have the ticketing revenue and somewhere around INR 40 lakhs for other operations.
- Tej Patel:** Okay, so INR 2 crores would be the ticketing revenue. But then if I put numbers according to INR 2 crores.
- Sunil Ghorawat:** No, no, no. I think again, probably, the ticketing revenue would be, just one second the Happiness Park itself had a revenue which started in July, one second, one second, one second. It's so many numbers, which probably are – so the Happiness Park itself has a revenue of around INR 2 crores and the revenue from the UP Darshan would be another INR 1 crores, so INR 3 crores. And then rental and other thing would be another INR 50 lakh, INR 60 lakh, so INR 3.5 crores of that, INR 1 crores of maintenance, which is INR 14.5 crores, so around INR 10 crores is the EPC revenue.
- Tej Patel:** Got it, got it. Thank you so much for the clarity. Sir, I mean, probably you said about, we will probably do about INR 110 crores to INR 120 odd crores of revenue this year. I'm just trying to understand what gives us the confidence and want to get more clarity from your side, despite having two weak quarters of execution because of, let's say, monsoon and the prolonged election effects. So, what confidence do we get that we'll probably catch up to INR 120 odd crores of revenue?
- Sunil Ghorawat:** Sir, two reasons for it. One, we have orders in hand, we have the execution capability there. The only thing which probably didn't work in our favor is the nature in the last, let's say, the last Q2. So, with the orders in hand, team in place, we don't see a challenge in terms of reaching those numbers.
- Moderator:** Thank you. The next follow-up question is from the line of Rochelle from Think Wealth. Please go ahead.
- Rochelle:** Hello.
- Moderator:** Yes, sir. You are audible.
- Rochelle:** Yes, sir.. Thanks for answering related to that intangible asset. So, just wanted to know that what percentage do we amortize it?
- Sunil Ghorawat:** What percentage? We divide it over a period of 20 years.
- Rochelle:** Okay, straight line method, we follow it?

- Sunil Ghorawat:** Straight line method, yes.
- Rochelle:** Okay. And, sir, just last question is that the part which has been operational, so how is the response? And like, do you expect the further footfalls increase over the time? Because H2 will be like more of a footfall.
- Sunil Ghorawat:** This is a good season of the year. So, but then you also have to keep in mind, whenever a park opens, it always opens on a high, and then it stabilizes it. And our parks opened during the not so good time of the year. And now with the weather improving, we expect to continue the momentum. So, we don't see a challenge on the revenue side. And also, as I had spoken earlier, we have ramped up the team. Now we are looking at the other additional revenue source, which we are not targeting so far.
- Rochelle:** Okay. And, sir, also, are those parks fungible? Like, let's say if today we have some theme at this place, and like after fires the people might get bored of this theme. And we might interchange something we bring here and something we get shifted to there. Can this happen?
- Sunil Ghorawat:** So, the park has two, three elements, which can or park has four elements to start with. One is a public art. The second is kids and adventure activities. Third is the F&B events. And fourth is, you know, events, kids and adventure activities and events. Out of these four, the last three were always fungible, that we can change the kids activities, adventure activities. We can always bring in new F&B choices and other things. And we can keep doing new and new events.
- The first thing, which was the public art, which was earlier not thought as a fungible, we have now started adding that into our tender conditions that we are allowed to probably change the monuments or rotate the monuments. So, today, I can take the monuments from one park to the other parks. Obviously, government doesn't pay for that, but we'll be able to do that. So, we have also brought in partial fungibility in terms of the public art as well.
- Moderator:** Thank you. Ladies and gentlemen, we will take that as the last question. I would now like to hand the conference over to Ms. Sanghamitra Borgohain, Managing Director from Z-Tech India Limited for closing comments.
- Sanghamitra Borgohain:** Hello. Thank you, everyone, for giving us all of your time. We will further take ahead and then we look forward for better growth. And thank you, everyone, for being with us. Thank you and have a great day.
- Sunil Ghorawat:** Thank you. Thank you, everyone.
- Moderator:** On behalf of Z-Tech India Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.