**To,**
**BSE Limited**
**Listing & Compliance Department**
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai, 400001,
Maharashtra, India

**Date: 19.11.2026**

**Company Symbol : PANHR**
**Company Scrip Code : 544698**
**Company ISIN : INE1N9E01015**

**Subject: Submission of Transcript of the Earnings Conference call held on 17th November, 2026, Tuesday at 12:30 PM (IST)**

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Dear Sir/Madam,

In continuation of our earlier letter dated 17th November, 2026 informing about the audio link of the Earnings Conference Call and Pursuant to Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is hereby submitting Transcripts of Earnings Conference Call which was held on 17th November, 2026, Tuesday at 12:30 PM (IST). To discuss the Un-Audited Financial Results (Standalone) of the Company for the Half Year ended 30th September, 2026.

Further, please note that Transcript of Earnings Call will also be available on website of the Company at https://panhr.in/conference_call.php

You are requested to take on record the above-said information

Thanking you,

Yours Faithfully,

**For PAN HR SOLUTION LIMITED**
**(Formerly Known as PAN HR Solution Private Limited)**

RAJEEV KUMAR
Digitally signed by RAJEEV KUMAR
Date: 2026.11.19 14:35:26 +05'30'

**Rajeev Kumar**
**Chairman and Managing Director**
**DIN: 07368623**

**Place: Noida**

# "PAN HR Solution Limited

# H1 FY27 Results Conference Call"

# November 17, 2026

**MANAGEMENT:** **MR. RAJEEV KUMAR – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – PAN HR SOLUTION LIMITED**
**MR. PUSHKAR NEGI – CHIEF FINANCIAL OFFICER – PAN HR SOLUTION LIMITED**
**MS. SNEHA BAHUGUNA – COMPANY SECRETARY – PAN HR SOLUTION LIMITED**
**MR. ABHISHEK –BUSINESS HEAD – PAN HR SOLUTION LIMITED**

**MANAGEMENT:** **MS. DHRUVI – EQUIBRIDGEX ADVISORS PRIVATE LIMITED**

**Moderator:** Ladies and gentlemen, good day and welcome to the PAN HR Solution Limited H1 FY27 Results Conference Call, hosted by EquiBridgeX Advisors Private Limited.

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 touchtone phone.

I now hand the conference over to Ms. Dhruvi. Thank you and over to you.

**Dhruvi:** Thank you, ma'am. A very good afternoon to everyone. Welcome to the H1 FY27 Earnings Call of PAN HR Solution Limited. From the management team, we have with us Mr. Rajeev Kumar, the Chairman and Managing Director, Mr. Pushkar Negi, the Chief Financial Officer, and Ms. Sneha Bahuguna, the Company Secretary. We are also joined by Mr. Abhishek, the Business Head. We will have the opening remarks from the management team post which we will open the floor for Q&A session.

With that, I would like to hand over the call to Ms. Sneha for opening remarks. Over to you, ma'am.

**Sneha Bahuguna:** Thank you, Dhruvi. Good afternoon everyone and thank you for joining us for PAN HR Solution Limited H1 FY27 earning conference call. I am Sneha Bahuguna, Company Secretary and Compliance Officer of PAN HR Solution Limited. On behalf of entire PAN HR team, I welcome all our investors, analysts and stakeholders.

Since our listing on BSE SME portal in February 2026, many of you have come to know us recently. So let me begin with a brief introduction to the company. PAN HR was incorporated in December 2015 and is headquartered in Noida, Uttar Pradesh. We are a human resource outsourcing and staffing company providing manpower services, staffing solutions, payroll management, compliance audits, HR outsourcing, and facility management service to businesses on B2B model.

We deploy skilled, semi-skilled, and unskilled workforce for enterprise clients in sectors such as e-commerce, quick commerce, logistics, warehousing, manufacturing, and infrastructure. In FY26 we have deployed over 10,000 personnel for more than 25 enterprise clients and as on 30th September 2026 we have deployed over 15,000 personnel through a broad network spanning 25 states.

Our operations are supported by cloud-based HRM and technology enabled payroll and compliance systems, which allow us to manage large workforce with discipline. Let me take you go through our financial performance for half-yearly.

Revenue from operations for H1 FY27 stood at INR164.44 crores compared to INR108.59 crores in the corresponding period last year, registered growth of 51.43%. Total income grew 53.75% to INR167.12 crores compared with INR108.69 crores in H1 FY26. EBITDA increased by 81.64% to INR6.70 crores compared with INR3.69 crores in H1 FY26. And our EBITDA margin improved by 62 basis points to 4.01%.

This includes other income of INR2.67 crores of which INR1.67 crores related to employment scheme reimbursement. Excluding other income, EBITDA grew 12.23% to INR4.03 crores. Net profit for the period grew by 95.28% to INR6.21 crores compared with INR3.18 crores in the corresponding half year. And our net profit margin improved by 79 basis points to 3.72%. Earnings per share stood at 8.61 compared to 5.88 in H1 FY26.

I would now speak about the key developments during the period. During the half year we have entered in temporary staffing agreement with Ciel Et Terre Solar Private Limited Solar Private Limited for manpower deployment, payroll and compliance management, which is valid till April 2027. This expand our client presence in the solar sector. In September 2026 we have received Best Supporters Vendor Award from Shadowfax which reflects the service commitment our team brings every day.

An important area of focus for us is transaction to pay and collect model. Under this model we fund the payroll for the workforce and we deploy, which allow us to take on large workforce mandate. Of INR9.75 crores allocated from our IPO proceed for working capital, INR2.85 crores has been utilized by 30th September 2026 and the balance will support payroll funding for larger clients. Our business remain asset light and debt light, with shareholder fund of INR43.72 crores as of 30th September 2026.

Looking ahead, our priorities are clear. First, progressing the pay and collect transaction to take on large workforce mandate while onboarding new enterprise clients and increasing our share of business with existing ones.

Second, expanding beyond Delhi NCR region in tier two cities and key market across South, West India. And growing our presence in a sector which is quick commerce, FMCG, healthcare support services and green logistics. Third, scaling higher margin services such as payroll outsourcing, compliance audits and HR consulting to improve profitability.

And finally continuing to invest in technology infrastructure including workflow automation, payroll systems and compliance infrastructure so that we scale deployment volumes while maintaining our service quality and operational efficiency. We remain focused on disciplined growth and long-term value for all our stakeholders.

Before I conclude, I would like to thank our employees, our deployed workforce for their dedication, our clients for their continued trust and for our shareholders for their support. Thank you once again for joining us today.

With that, we can now open the floor for question-and-answers.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask question need to press star and one on the telephone if you wishes to remove yourself from question que you may press star and two. Participant are requested to use headset while asking question. Ladies and gentleman we wait for a moment while the question que assemble. The first question is from the line of Aviral Sharma , an Individual Investor. Please go ahead.

**Aviral Sharma:** Yes. Congratulations on your H1 results. Hello?

**Moderator:** Yes, ma'am. We can hear you.

**Pushkar Singh negi :** We can hear you. Thank you. Can you please ask your question?

**Aviral Sharma:** So, I have a few questions. First question is, with revenue increasing by over 51% in H1 FY27, what are the key growth drivers you expect to contribute to the company's performance in H2?

**Abhishek :** Yes, hi, ma'am. Very good afternoon. Hope you are doing good. The ma'am, main thing is that actually it depends on the expansion of our workforce deployment, also the increasing demand for our manpower solutions across multiple industries and our clients. Our core focus remains on strengthening our relationship with existing clients to increase our share of the manpower requirements.

**Aviral Sharma:** Yes, sir, understood.

**Abhishek :** So and one more there ma'am actually sustained demand across e-commerce, quick commerce, logistics, warehousing and other workforce intensive industries. Right. And we are here to means add few more clients, right, so that we can...

**Pushkar Singh Negi :** We have also onboarded new clients, so that we are getting more manpower requirements. And we have onboarded few clients and we are keeping on adding that. And our major sector is e-commerce, but we are just moving to other sectors as well. So we are getting requirements, that's why we are getting more requirements, and our revenue is being increased in this financial year.

**Aviral Sharma:** Okay. So the EBITDA grew by approximately 82% in H1 financial '27. So what operational efficiencies are driving these improvements and how sustainable is the current margin?

**Pushkar Singh Negi :** Yes, so the EBITDA has increased due to some other income, which is associated with the PF department, and we are getting some income from them as a scheme called Pradhan Mantri Rojgar Yojana, and we will keep on getting it until next year. But side-by-side, we are also implementing our new revenue model which we call 3PL, and we are hoping that we will start by April 2027. And once that model will be in place, our revenue will be growing in multiples.

**Aviral Sharma:** Okay. So how do you see the pay-and-collect model creating additional revenue opportunities and what is strengthening PAN HR business model?

**Abhishek :** Actually, the pay-and-collect model is that we are generating money from our clients. And then we will distribute the same, meaning what the salary we are getting from the clients with the service charge. We will just share that salary part to the candidates only. And in this model, we are getting the money from our clients first.

**Aviral Sharma:** Okay. So which sectors, particularly quick commerce, FMCG, healthcare, and green logistics, offer the strongest growth opportunities?

**Abhishek :** In this time, quick commerce is a very fast-growing segment. So, our core focus is on that. Our priority is to gain more and more quick commerce services.

**Pushkar Singh Negi :** E-commerce is a large growing revenue for us, and that will keep on increasing. As of now the e-commerce is very -- we know everyone know about the e-commerce but still if we talk about that we are around 6% to 7% but as much as e-commerce will increase we will increase because we will deploy our manpower in the e-commerce sector.

**Aviral Sharma:** Okay. What opportunities do you see for increasing business from existing clients through workforce developments and geographical expansion?

**Abhishek :** Ma'am, come again please?

**Aviral Sharma:** Okay. Okay sir. So what opportunities do you see for increasing business from existing clients through workforce developments and geographical expansion?

**Rajeev Kumar :** Ma'am, both geographical and existing business.

**Aviral Sharma:** Like what opportunities do you see for it?

**Abhishek :** Ma'am we have just strengthen our relationship with our existing clients for the geographical and for the both actually we are means to increase our manpower requirements right with the existing clients as well as we are just including new clients as well.

**Aviral Sharma:** Okay. So what is the technical helping PAN HR improve operational deficiencies and manage large scale workforce developments?

**Abhishek :** Ma'am stable job portals we have as well as platforms like Facebook, Job Hai, Work India right these are the platforms we have as well we have the sub vendors to increase our manpower.

**Aviral Sharma:** Okay sir. So what the as the company scales, what potential do you see for further EBITDA margin improvement through economies of scale?

**Pushkar Singh Negi :** Yes so in the EBITDA margin when we will close our this financial year and or if we compare about the half yearly growth, so definitely if you see that this this in this financials we have other income due to that we are getting some significant -- a nice percentage of EBITDA. But because we are going on different -- we are going to the 3PL model that will really help us to increase our EBITDA as well as revenue and we will not be the part of other like we will not be dependent to the other income and our revenue will be sufficient to like to run or increase our profitability.

**Aviral Sharma:** Okay sir. So one last question. So what are the management key priorities for next 2 to 3 years and where do you expect the majority of future revenue growth?

**Pushkar Singh Negi :** The majority of revenue we are looking from the e-commerce, but as I already told that the 3PL model that will be our key factor in coming years.

**Aviral Sharma:** Okay sir. Thank you.

**Moderator:** Thank you. The next question is from the line of Dilip from Counter Cyclical PMS. Please go ahead.

**Gunit:** My name is Gunit from Counter Cyclical PMS. So firstly I want to understand what is this other current assets of one minute – yes what are the other current asset of about INR20 crores – INR23 crores. Are these unbilled receivables or unbilled revenues?

**Pushkar Singh Negi :** Yes, it is the other current asset 23 that is our unbilled revenue which we build in October that was the unbilled revenue for September which we build in October.

**Gunit:** Got it. And what about these other non-current assets of INR7 crores, are they also unbilled revenues? Hello.

**Pushkar Singh Negi :** Hello.

**Gunit:** Yes, there is an entry of other non-current assets of about INR7.8 crores. So what is that related to which was last year?

**Pushkar Singh Negi :** Yes, definitely that includes our fixed asset and our investments in different, different equity and like in equity or other assets like that is our investments and the fixed asset.

**Gunit:** Got it. So that does not include unbilled revenues?

**Pushkar Singh Negi :** No, that that doesn't include the unbilled revenue. Only the current asset include the unbilled revenue.

**Gunit:** Got it. Sir I'm a bit new to the company, so can you please help me understand briefly the business model, what kind of a receivable cycle do we have and is it a pay and collect model currently wherein we pay our the employees first and then collect from our customers?

**Pushkar Singh Negi :** So initially when we started we were working on collect and pay model which has the margin was a bit less. But as we have got the -- we have an IPO and we got some investment, we are moving to the pay and collect which will increase our margin revenue as well – our margin percentage sorry.

**Gunit:** Got it. So 100% of our employees are on our payroll?

**Pushkar Singh Negi :** Yes, employees are on payroll. We do their compliances, we take care all their compliances like labor compliance, PF compliance, ESI compliances, we do that from our head office. We have a recruiter on different, different locations across all over India. Who they manage their recruitment and their like their compliance as well.

**Gunit:** Got it. So basically all 15,000 personnel are on our company's payroll?

**Pushkar Singh Negi :** Yes, all our company's payroll and we are doing their compliance on the PF and ESI as well.

**Gunit:** Got it. And generally after we make the payment to the personnel, I mean we make the payment to the personnel on what date and on what date do we receive the money from our clients? If you can help me understand the cycle?

**Pushkar Singh Negi :** Yes, so there are different, different cycles like with some clients we have weekly payments as well. So once we process the payment they get the payment on the next day and some client we have monthly commitments and so we do it monthly by, but the next subsequent month if we call if we say that by 7th or 8th we do all the payroll for the employees and they get the money.

**Gunit:** Got it. So we make the payment of 7th of next month and when do we receive the payment from our customers?

**Pushkar Singh Negi :** Yes, so once we make the payment because if the client is on collect and pay then we get the money in advance, but if the client is pay and collect then we get the money in in next subsequent 15 days or something.

**Gunit:** Got it. So what percentage is pay and collect versus collect and pay currently and what percentage of contracts are monthly versus weekly?

**Pushkar Singh Negi :** Like if we talk about the percentage, there is not much increase, but yes, definitely, there is increase in pay-and-collect from the collect-and-pay. So yes, that depends how much we have negotiated with the customer.

**Gunit:** No. I'm saying out of all our contracts, what percentage of contracts is pay-and-collect? So 20% of our all current contracts is pay-and-collect or 30%?

**Rajeev Kumar :** Approx, 20%, approx.

**Gunit :** Okay

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**Pushkar Singh Negi :** Yes. So approx it is 20 but some -- like it is -- it also depends, in some client we say that we will collect margin on the headcount basis. Let's suppose there is a 1,000 employees and we have -- just for the example, we have, say, for one employee we will charge INR300, INR400, INR500 whatever.

But in some clients it is not fixed, it is a percentage based. Whatever the payroll total, we will just put the percentage and charge them. But in some clients irrespective of, whatever is the payroll amount, we will charge as we have agreed INR300, INR400 per pax.

**Gunit:** Got it. And okay, so basically 80% of contracts we first received the payment from our client and then make payment to the personnel?

**Management:** Yes. As of now.

**Gunit:** And what is the – I mean, what kind of growth do we expect in the H2 and the next financial year and what would be the – I mean, I want to understand if we are moving towards pay-and-collect, then our working capital would also be stretched. So what percent of contract do we expect with pay-and-collect going forward?

**Pushkar Singh Negi :** Yes. So, like, as we are looking ahead for pay-and-collect for some of the client, so what will happen our – definitely our working capital will effect. But we have money from the IPO. So

we can utilised that as we have utilised some of the percentage as of now. But if you see in the -- because clients always wants pay-and-collect.

They don't want to pay first and then – like, they want – they don't want to pay first and then disperse the salary. So they are happy if we pay first and they pay us later. So in that case, our volume will become higher. So in let's maybe there is some credit period like we give to the client but in the future run our -- as much as volume will be higher, we will be more beneficial. I hope you got my point.

**Gunit:** Got it. So whoever is number one client, which contributes around 80% of the revenues?

**Pushkar Singh Negi :** We cannot say the 80% but our the major client you can say the Flipkart, Myntra, Shadowfax and JWL, Jindal.

**Rajeev sir:** Jindal Group and Euler Motors

**Pushkar Singh Negi :** Yes. Euler Motors. But the, if we talk about the major revenue then we can say that Flipkart, Myntra and Shadowfax, yes and JWL, they are major clients.

**Gunit:** Got it. And generally what is the contract size for -- I mean is it like a temporary 1 month-2 month contract or is it an annual permanent kind of a personnel that we are providing?

**Pushkar Singh Negi :** Yes, it depends client to clients but we have no -- like generally it is an annual contract. And in the contract the volume is also not defined because sometime they need 1,000 people, sometime they need 5,000 people. So on the ad hoc basis they just raise the requirement and we provide them the services.

**Gunit:** Got it. So right now, I mean if you can help me understand, what is the average duration of a contract, what percentage of contracts are 1 year, more than 1 year, less than 1 year?

**Pushkar Singh Negi :** Yes. Normally, we renew the contract for 1 year. And -- but -- yes, and every year we just renew it. So the average duration if we talk about that is 1 year.

**Gunit:** Got it. And this e-commerce and logistics, so basically what kind of an employee are we supplying to them? Is it a delivery partner, someone who I mean basically involved in delivery logistics?

**Abhishek :** Sir, in logistics and e-commerce, mostly we are providing them bikers, ground coordinators, data entry operators, reach truck operators, BOPT operators, as well as means assistant, senior assistant, this type of manpower we are providing them.

**Gunit:** Got it. So it's mostly unskilled labor, right?

**Abhishek :** Yes, sir. Most of them are unskilled. But suppose you are just providing them RT operators, BOPT operators, they are means semi-skilled or skilled. RT operators are skilled manpower we are providing them. Data entry operators are semi-skilled, right sir?

**Gunit:** Right.

**Pushkar Singh Negi :** So the larger scale is unskilled, but we provide them the…

**Abhishek** Yes. Semi-skilled and skilled as well to manage them.

**Gunit:** Got it. And the average salary would be around INR20,000?

**Abhishek :** Sir, in the semi-skilled -- sorry, unskilled, there is approximately the range is INR20,000-INR21,000, that is -- and in the semi-skilled they are approximately INR24,000 to INR25,000 and INR27,000 in the skill, INR27,000-INR28,000.

**Gunit:** Got it. So sir, if we look at the margins for this quarter, this half year, they have fallen to 2.5% from 3.5% earlier. So what exactly happened? Why have the margins shrunk? What kind of margin should we expect going forward? And what kind of price escalation do we have in our contracts if any?

**Pushkar Singh Negi :** Yes. So I got your point. So as we told that we are paying first and collecting later. So some of -- in some of the clients, we have deployed our employees, but maybe the billing will come later. And so these are the some cases where which we fall in that percentage. But that will -- subsequently, we will get the revenue from them.

**Gunit:** Got it. And what margins do we -- I didn't understand why margins have shrunk because of this. Are we bearing some higher cost? What is this exactly?

**Pushkar Singh Negi :** Yes. Because we have invested more and collected less. That's why.

**Gunit:** And what have we invested in exactly? And how much amount has been expensed in the P&L itself?

**Pushkar Singh Negi :** Sorry, I didn't get your point.

**Gunit:** What exactly have we invested? And how much amount has been expensed in the P&L because of that?

**Pushkar Singh Negi :** Yes. So, in that case, we have paid some -- we have processed the payroll for those employees which we have not charged to the client yet. And that is also not part of the unbilled revenue because that is for our expansion purpose. We are just securing our -- and giving them our commitment. So that we will get. It is an investment. So that's why, if you see that the salary in the P&L, the expense is a bit higher, not around 0.75% to 1%.

And the expense is higher, but the revenue is not that much higher, but we will be getting benefit later in the revenue for those investment which we have already paid to the employee. Like we are creating our, creating our, you can say, like more and more employees, because the attrition rate is very high in our business. So we are paying them, we are gaining their trust and we are creating our own employee manpower.

**Gunit:** Got it. So right now, what percentage of employees would be on our payroll but not actually earning us anything, not actually billed, actually?

**Pushkar Singh Negi :** Not actually billed, actually.

**Gunit:** Yes. No, I want to understand. So right now how many employees do we have in our payroll in anticipation of getting more contracts, but which are not earning us anything currently? Basically, we are paying them salaries, but they are not employed currently.

**Pushkar Singh Negi :** I think it's around 2% to 5% between somewhere.

**Gunit:** Got it. So if we look at the working capital, the trade receivables are INR21 crores and around INR20 crores of unbilled revenues. So that comes to around INR40 crores. So basically, I want to understand, is this the normal trade receivables that we should expect going forward, about INR40 crores? Or do we expect to reduce this? Because even if we look at the cash flows, they have gone from positive, I think INR5 to INR7 crores to negative right now. So how do we see the cash flow turning in H2? What kind of receivables do we expect in H2, including unbilled revenues?

**Pushkar Singh Negi :** Yes, so what happens in that case, as this was going on, a festive season which we call BBD, Big Billion Days, if you just open the Amazon, you will see the first flag and Big Billion Days. So that time we hire more and more manpower. Sometimes we hire from our sub-vendors if we are not getting them directly. So that's why there is more payable to the sub-vendors and that reflects in our cash flow and the balance sheet as well.

**Gunit:** Got it. So basically by year-end, what kind of a working capital do we expect? What kind of a cash flow? And since we are moving more towards pay-and-collect, should we expect negative cash flows only? What kind of revenues do we expect in H2?

**Pushkar Singh Negi :** Definitely the revenue will be increased, but there should be -- we will not be surprised if there will be any material impact in the cash flow. But that depends on the how much contract further which we are expecting, are we getting it on time or not.

**Gunit:** Got it. So I mean, currently we have 15,000 personnel. So by year-end, how many personnel do we expect to be deployed based on our current order book or pipeline?

**Pushkar Singh Negi :** Yes, as of now we are 15,000 because it was a festive season, and in festive season we rapidly grow or we rapidly hire and deploy. Probably in the coming month it could be a bit less. But as we are expecting, because we are getting more requirement and we have onboarded few clients, so we will be around 15,000 by end of this financial year as well.

**Gunit:** Got it. So sir for festive season how many personnel do we generally deploy additionally and what is the contract duration for them?

**Pushkar Singh Negi :** Yes, so it is around like if let's say if we are sitting on -- let's suppose as we are 15,000 right now. If any festive season coming we will become 18,000 suddenly.

**Gunit:** Okay, and that is for next we employ them for 15 days or 20 days or 1 month or just one week?

**Pushkar Singh Negi :** Yes because the attrition rate is very high in this model so people walk and just go.

**Gunit:** Okay so those contracts are just for like 1 week or 10 days?

**Pushkar Singh Negi :** Yes, those are some ad hoc requirements from the client.

**Gunit:** Got it. Got it sir. So my last question would just be regarding this cash flows only. So I mean do we expect these unbilled revenues of INR20 crores plus per month to continue or not? And what kind of trade receivables do we expect going forward towards the end of the year?

**Pushkar Singh Negi :** Yes, definitely there will be unbilled revenue every month because normally we pay salaries to the regular employees by 7th of next subsequent month so we can only invoice to the customer once we will pay the amount. Because we get the data from the client like how much manpower has been used in the month. And then we pay them by 7th and then we bill them. So definitely always there will be an unbilled revenue in our financials.

**Gunit:** Got it. And I mean they should remain in this range of INR20 crores per month itself or higher?

**Pushkar Singh Negi :** It varies because sometime client has 100 manpower, sometime client has 500, but if we talk about the average, it will be 20 to 25 or 30.

**Gunit:** Got it. And this trade receivables, they should also remain in the current range of INR20 crores, INR20 crores, INR23 crores. And I want to understand the receivables as on the 31st September, have they already been cleared?

**Pushkar Singh Negi :** No, it has not already been cleared because what happens let's suppose we charge them INR100 and the revenue is INR100 we charge them GST 18% which is INR18. So, what happens the customer does not pay us INR118 in one go. The customer pays us INR100 first and then INR18 when our GSTR return has been filed.

**Gunit:** Okay. So, what percent of these INR20 crores receivable is purely GST?

**Pushkar Singh Negi :** No, that's not GST, that's complete revenue, irrespective that we will get the payment in pieces, but that is completely our revenue payment. You can say including GST.

**Gunit:** Sir I want to understand if say by end of one month we have to pay say INR25 crores per month to our personnel. So now we make the payment say on the 7th to our -- and we receive the payment in 7 days you mentioned so on 14th?

**Pushkar Singh Negi :** No, we will receive the payment in 15 days, 30 days.

**Gunit:** Okay, we receive the payment in 15-30 days.

**Pushkar Singh Negi :** Yes, that's why you can see there's a big number in the trade receivable.

**Gunit:** Got it. I want to understand for September month, the payments that we made, so it is already, right now November 17th. These INR23 crores…

**Pushkar Singh Negi :** Yes, by November that has been received. But normally it takes 15 to 30 days to get the money from the client.

**Gunit:** Got it. So September money would have been cleared, now October money would be in the trade receivables.

**Pushkar Singh Negi :** October unbilled and October some bills are still receivable.

**Gunit:** Got it. And sir these INR4 crores of short-term loans and advances, what are these related to?

**Pushkar Singh Negi :** Yes, there are some advances to our previous related company so which we will be getting , I think we are expecting before end of this financial year.

**Gunit:** We have given them to our related parties?

**Pushkar Singh Negi :** No, it is not related parties, we have given advance to some other entity and we will be getting by end of this financial year from them, so that will be a major impact once we, when we will close our 31st month.

**Rajeev Sir:** This is sub-vendor, sir.

**Gunit:** These are sub-vendors?

**Pushkar Singh Negi :** Yes, sub-vendors.

**Gunit:** So, where are you looking at that figure? It's in the cash flow statement, we have given INR4.06 crores of short-term loans and advances in this first half.

**Pushkar Singh Negi :** That is our sub-vendors actually, we paid them in advance and then they bill us later.

**Gunit:** Okay. Got it. So, sir with regards to, I mean I just want to understand year-end target for trade receivables and unbilled revenues. Should we expect them to be around INR20 crores each which is the level currently or up or down? I mean what are your thoughts on that? And do we expect to generate cash flow from our operations by the end of this financial year?

**Pushkar Singh Negi :** Frankly, the cash flow will not much change by end of this financial year. But if we talk about the next year, 6 months cash flow, that will be completely different because then our 3PL model will be implemented and we will be getting more revenue from them.

**Gunit:** Got it, sir. Can you throw some light on this 3PL model that you're talking about, what exactly that is and how will that change from the current model?

**Abhishek:** Sir, actually the 3PL model is just like a warehouse we are running through our self only. All the manpower is being from our side and there is one HR from client side who takes care of the things. Here we just get all the assets from our client side and all the manpower which is usable in that warehouse is from our own side. Is that okay sir?

**Gunit:** No, I did not understand sorry. So basically, can you like help me understand in layman terms what exactly is changing?

**Abhishek :** Sir, that 3PL model is a third-party logistics model. Here in this model, we have our own warehousing, a state-of-the-art warehouse. Here our clients, just like I'm giving you an example of Flipkart, they gave us the money and their assets to place in our own warehouses. And all that process is being done by ourself only.

**Pushkar Singh Negi :** So basically, as of now if we are working with Flipkart, what we are doing is we are providing only the manpower to shift or unskilled labor to shift material or the boxes. But in 3PL model, we will own that warehouse and we will just deal with the Flipkart. We will ask, 'Okay, what is your requirement? We will provide it. As of now, warehouse is in control of Flipkart, but in that case, the warehouse will be in our control and we will provide all kind of services to Flipkart.

As of now, Flipkart is just taking our manpower services, but maybe there are some other services as well, which is Flipkart taking from different, different sub-vendors. But if we get the 3PL model contract, then the complete warehouse is our own and we will provide all services to the Flipkart.

**Moderator:** Sorry to interrupt you, I would request you to rejoin the queue for a follow-up question. The next question is from the line of Keshav from Counter Cyclical PMS. Please go ahead.

**Keshav:** Sir I am new to the company and my understanding is also a bit low sir, so if you could explain me in simple language what our business is, I would be very grateful?

**Abhishek :** Our business is simply that we are providing manpower to our clients in the e-commerce segment in the simple language.

**Keshav:** So our clients can take it directly as well, so are we a labor contractor?

**Abhishek :** No, sir. No, we are not a labor contractor. But what happens is that there are some companies that do not want to face labor issues. They do not want to go to the front end and handle compliance. That is why they are hiring the manpower company to manage that manpower in their premises.

**Keshav:** Understood. So sir, for instance, let's say it is Flipkart, so sir, typically for how many days is their requirement for manpower?

**Abhishek :** Sir, look, it depends on the season for which they are taking it. If they are taking it for BAU, that will be for 1 month, 2 months, 3 months. They keep increasing their days. For some regular manpower, suppose there is a fixed percentage that they keep at a fixed level. The rest they keep as temporary workers. Okay. Then after the work, when their work is finished, then they remove them from the system.

**Keshav:** Understood. So sir, as you mentioned, due to seasonal fluctuations in business, the demand increases in the festive season, and for that reason, they temporarily take the required number of people from you.

**Abhishek :** Sir, it's not that they only take temporary people; they take whatever manpower they require from us, right? We provide them manpower, whether it is a season or BAU season, or festive season. We have to provide manpower as per their requirement.

**Keshav:** Understood. And sir, where do we source this manpower from?

**Abhishek :** Sir, we have many sub-vendors, and we have recruiters on the ground across India. They bring the manpower, sub-vendors bring them. We have several job portals; we post ads there and bring them in. Through newspapers, if there are critical locations, like mountain areas, we do paper advertisements. We also use rickshaws with microphones to announce that we have a requirement. These are the effective parameters and bandwidth we use to collect manpower for our clients.

**Pushkar Singh Negi :** And we have our own database of manpower. If any client says they need 5,000 people today, we know where to send them and in which region to send them, so we manage it that way.

**Keshav:** Sir, so these 10,000 people, are they on our payroll?

**Pushkar Singh Negi :** On our payroll.

**Abhishek :** They are on our payroll, sir.

**Keshav:** So sir, since we have hired them, and if, suppose, there is no requirement from the client, does that mean our utilization of our workforce is 100%? Are all of these 10,000 people already deployed with our customers?

**Abhishek :** Yes, yes, they are 100% deployed at our client premises.

**Keshav:** Sir, what if it happens that we anticipated demand in the festive season, as we generally see demand increase, so we hired additional people, but due to whatever reason, they took people through some other vendor and not from PAN HR? Can we get stuck with these people? We would be paying their wages, but we would not have been able to deploy them?

**Abhishek :** Sir, it is not like that. This manpower force is already working with our several clients. The additional manpower you mentioned for the festive season is hired specifically for that. After the month or two, we terminate them. We keep them on contract, and after that, the contract automatically closes.

**Keshav:** So that means it is back-to-back. Once when we have visibility that our client is requiring this much manpower, then only we go back and hire people on our payroll?

**Abhishek :** Sir, as per their requirement, as the client's requirement comes, we hire and de-hire manpower accordingly. When hiring comes, it will open for everyone. We hire manpower there because we already have prior information that we have to provide this much manpower in this month, and then in this month, we have to reduce this much manpower, we have to cut it from there.

**Keshav:** Sir, so utilization is not a concern?

**Abhishek :** Mobilization is not a major concern, sir.

**Keshav:** Understood. Sir, now, sir, are these workers of ours only manual, unskilled workers, are they purely that?

**Abhishek :** No, no, sir. A major part is unskilled. There is a percentage of semi-skilled, and there are skilled ones too.

**Keshav:** Understood, sir. And sir, as you mentioned, the other staffing, for example, Aarvi Encon and TeamLease, are these all our competitors?

**Abhishek :** Yes, they definitely are, sir.

**Keshav:** Okay. So sir, what is the differentiating factor? Like, what is our unique proposition to the client for choosing PAN HR versus Aarvi Encon versus Quess Corp versus TeamLease?

**Rajeev Kumar :** See, sir, every person's expertise -- every company's expertise is in different sectors, sir. You are comparing with Quess. Quess works in white collar as well as blue collar. And the blue collar, the unskilled manpower job deployment we do, like my client is Walmart, Jindal, Myntra, Flipkart, they are not that strong there in e-commerce, compared to Quess. In comparison to Quess, my payroll will be more with Flipkart.

**Keshav:** Understood.

**Rajeev Kumar :** That blue collar, grey collar is our USP, PAN HR's USP. Grey collar like in the manufacturing industry where we work, like our client is Jindal, Euler Motors, that is our expertise for that profile. Quess works only, if you look, in white collar, and they are in blue collar only to oblige the same client.

Their expertise is white collar. Our expertise is e-commerce and manufacturing industry. Sir, so who are our peers, for example, those in blue-collar and grey-collar, which you mentioned, in e-commerce and all? Who are our competitors? You might hear names like TeamHR, Adecco, Future Group, KB, KB HR; there are many in the industry, sir.

**Rajeev Kumar:** In the listed space, yes, there is one, ITCONS.

**Keshav:** Which one? Which one?

**Rajeev Kumar :** ITCONS.

**Keshav:** Sir, what is the spelling?

**Sneha Bahuguna:** I-T-C-O-N-S.

**Abhishek :** The company name is ITCONS e-Solutions.

**Keshav:** ITCONS e-Solutions, understood, sir. Any other listed peer, sir?

**Rajeev Kumar :** Other listed peers -- I don't know. Quess Corp; Quess Corp is this is a listed company.

**Keshav:** Quess Corp, yes, Spectrum?

**Abhishek :** Spectrum Talent Management, yes, also... but they are working in white-collar mainly.

**Rajeev Kumar :** White-collar means skilled labor.

**Keshav:** Sir, as you mentioned last time that you have an aspiration of INR1,000 crores in revenue in the next 2 years to 3 years, sir, for that, how many people will we have to hire? And what are the constraints to reach there, what are the challenges to reach there? And sir, when you reach the INR1,000 crores target, what is your target for the EBITDA margin?

**Rajeev Kumar :** Pushkar ji, please clarify the EBITDA question. As far as I can say, I will clarify two things. The commitment of INR1,000 crores we have made and the INR1,000 crores we have to achieve -- we are striking at that run rate. Compared to last year, if we look now, our run rate has improved. And per month, we are increasing towards that target day-by-day. Our revenue is increasing. Right now, you will see we are sitting at approximately INR180 plus on a half-yearly basis.

**Keshav:** INR180 crores, which we are sitting at on a half-yearly basis.

**Rajeev Kumar :** So, the INR1,000 crores target that we have set for the next 3 years, we are already working at that run rate. And we are working on it, and it is happening, which you can see in the report.

**Rajeev Kumar :** And regarding that, the 3PL model that we will onboard in February and March -- and the ones we will onboard -- it's already not a very big deal to achieve that target, sir. And we are doing it.

**Keshav:** And sir, out of our existing revenue, what percentage is staffing, how much is HR payroll, etcetera., and how much is facility management service?

**Rajeev Kumar :** Regarding staffing, our total numbers are 10,000-plus; that is already staffing, sir. And we have their payroll, their compliance, end-to-end, everything. We manage their compliance and charge the customer.

**Keshav:** Okay, so sir, is it only the staffing business? I was thinking staffing is a business, and this HR payroll, HR consultancy, and facility management...

**Rajeev Kumar :** Yes, sir, we do HR payroll and consultancy, don't we? We are already doing it for Jindal, sir; we are already doing theirs too for Jindal. Those who are on our payroll, and those for whom we provide HR consultancy -- the number on our payroll is 11,000 to 12,000.

**Keshav:** Understood, sir. Lastly, sir, is there any plan to pay a dividend, sir?

**Rajeev Kumar:** Right now, sir, we cannot comment on this. But yes, we will definitely keep this in mind. When we reach that point, we will let you know.

**Keshav:** Okay, sir, thank you very much and best of luck.

**Management:** Thank you, thank you so much, sir.

**Moderator:** Thank you, that was the last question for the day. And now, I would hand the conference over to Ms. Dhruvi for the closing comments.

**Dhruvi:** Thank you so much. On behalf of PAN HR Solution Limited and EquiBridgeX Advisors, I thank everyone for taking the time to join today's earnings call. If you have any queries, you can connect with us at info@equibridgex.com. Once again, thank you for joining the conference.

**Moderator:** On behalf of EquiBridgeX Advisors Private Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

**Pushkar Singh Negi :** Thank you very much.

**Abhishek :** Thank you very much, ma'am.