August 10, 2026

The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001.
Scrip Code: 543398

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra East,
Mumbai 400 051
Scrip Symbol: LATENTVIEW

Dear Sir/Madam,

Sub: Transcript of Earnings Call for the quarter ended June 30, 2026, held on August 03, 2026

Pursuant to Regulation 30 read with Part A of Schedule III and 46(2)(oa) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Earnings Call held on Monday, August 03, 2026, post-announcement of financial results of the Company for the quarter ended June 30, 2026.

The transcript is also available on the Company's website at https://www.latentview.com/investor-relations/.

This is for your information and records.

Thanking you,
For **Latent View Analytics Limited**

PARTHASARATHY SRINIVASAN
Digitally signed by PARTHASARATHY SRINIVASAN
Date: 2026.08.10 12:53:53 +05'30'

P. Srinivasan
Company Secretary and Compliance Officer
Membership No. F11519

"LatentView Analytics Limited

Q1 FY27 Earnings Conference Call"

August 03, 2026

MANAGEMENT: **MS. SONAL RAMRAKHIANI – CHIEF EXECUTIVE OFFICER**
MR. RAJAN SETHURAMAN – STRATEGIC ADVISOR TO CHIEF EXECUTIVE OFFICER
MR. RAJAN VENKATESAN – CHIEF FINANCIAL OFFICER

MODERATOR: **MS. ASHA GUPTA – E&Y LLP, INVESTOR RELATIONS**

Moderator: Ladies and gentlemen, good day, and welcome to the Latent View Analytics Limited Q1 FY27 Earnings Conference Call. 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 this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I would now like to hand the conference over to Ms. Asha Gupta from E&Y, Investor Relations. Thank you, and over to you, ma'am.

Asha Gupta: Thank you, Alrik. Good morning, everyone, and welcome to Q1 FY27 Earnings Call of Latent View Analytics Limited. The results and presentation have already been mailed to you, and you can view them on the website, www.latentview.com. In case anyone does not have the copy of press release and presentation, or you are not marked in the mail, please do write to us, and we will be happy to send you the same.

To take us through the results today and to answer your questions, we have with us the CEO of the company, Sonal Ramrakhiani; the Strategic Advisor to the CEO, Rajan Sethuraman, to whom we will be referring as Rajan; and the CFO of the company, Rajan Venkatesan, to whom we will be referring as Raj. This is just to avoid confusion while doing the transcript.

We will start the call with Sonal, who will be giving you a brief introduction about herself. Rajan will then share the business update, which will be then followed by Raj, who will take you through the financial performance. After the management remarks, we will open the floor for Q&A session.

As usual, I would like to remind you that anything that is mentioned on the call that reflects any outlook for the future or which can be construed as forward-looking statements must be viewed in conjunction with the risks and uncertainties that we face. These risks and uncertainties are included but not limited to what we have mentioned in the prospectus filed with SEBI and the subsequent annual report that you can find on our website.

Having said that, I will now hand over the floor to the management. Over to you, Sonal.

Sonal Ramrakhiani: Thank you so much, Asha, and good morning, everybody. Truly a pleasure to connect with everybody today. I'll give you a quick introduction. But before I do that, let me just express my excitement to be joining Latent View at what is clearly an inflection point in both the company's journey and the broader AI and analytics industry.

For the last 25-odd years, I've had the opportunity to work across various technology, engineering, and business transformation roles globally. Most recently, in my last role, I was leading Wipro Engineering for the Americas. Prior to that, I spent over 24 years with the Tata Group as part of the TAS, or the Tata Administrative Service, and I've held various leadership roles within the Tata Group, including with Tata Technologies and TCS.

What attracted me to join Latent View is the depth of the relationships that we have with customers, the strength of the logos that we have, but also very importantly, the deep expertise in analytics and a significant opportunity to create value, especially as AI reshapes businesses across industry. We are seeing the transformation day in and day out, and I'm very excited to be joining at this point in time.

Latent View has built a very strong foundation over the last few years, supported, of course, by the depth of our relationships, the differentiated capabilities, and a culture of entrepreneurship and a can-do attitude. Having joined only a few days ago, my immediate focus is very simple. I am listening, I'm learning, I'm engaging. But over the coming few months, I will continue to spend time with our clients, with our employees, our partners and, of course, our investors as I look at what needs to be done and to better understand what makes Latent View special.

We will, of course, be doubling down on our execution. Fundamentally, the strategic tenets are strong. It is more a focus on execution and making sure that we deliver stronger and deeper on whatever we want to do as far as our customers and our stakeholders are concerned.

While it's still early for me to comment on long-term strategic priorities, it's very clear to me that the teams that we have and the depth of the capabilities that we have represent a very strong foundation for Latent View to grow further. It's clear that we are operating at a pivotal moment in the industry. The convergence of data, analytics, and AI is creating and will continue to create significant opportunities, which we are looking at leveraging actively.

There is significant transformation possible for our customers and businesses globally, and Latent View is, of course, well positioned to help clients navigate this transformation. I'm looking forward to working closely with our teams globally and building on a very strong foundation that Rajan, Raj, and the leadership team have created.

With that said, I look forward, of course, to engaging with many of you in the coming quarters. Lots more that we will be sharing as we progress down the year. And with that, over to you, Rajan.

Rajan Sethuraman: Yes. Thank you, Sonal. I'm going to talk about 4 points broadly, and this is in relation to some of the questions and points of interest that you all might have.

So, the first point I want to talk about is our consumer goods practice. You would have seen that there is a shrinkage in comparison to the Q4 of last year. And I just want to give some color around that.

You would recall that we had acquired Decision Point a couple of years back, and we have been in the process of integrating all the work that they do and then also exploiting the synergy benefits that come out of it. Decision Point is interesting in the sense that a lot of the work that they do, the contracting, is done in a fixed fee, fixed-scope model, where there are specific projects with specific deliverables and milestones. And the nature of the business is such that these are not in a managed-services construct, where there's an automatic renewal, there is new work to be found in many instances. Of course, we have had very strong traction with many of the clients that Decision Point works with, and we continue to see that traction as well. But there will be instances where projects that we are pursuing take a bit more time to come through and realize. We did have multiple one-off engagements that we witnessed in Q4, which either didn't get extended in Q1 or where we are still working through what is next in that particular area. So largely, that is the reason for the dip that you see in the consumer goods practice. But having said that, we do see a very strong uptick happening even in the next quarter. I was taking a look at our pipeline and our confirmed opportunities, and the quarter-on-quarter growth itself should be back to 25% plus in the next quarter within the consumer goods practice itself.

In addition to that, we also have a fairly large number of extensions that are in play, totalling to about USD 2 million, and there is a very large pipeline of opportunities that we are pursuing, close to USD 26 million in opportunities, of course, at various stages, but we will need to convert them and then we'll need to move forward with it.

This quarter also saw the addition of one new logo in the consumer goods space. And we do see expansion opportunities in several of the accounts that we are already working with in the food and beverage space, as well as in apparel and in other areas. So overall, I would say that while the dip is significant in this quarter, we do see a significant coming back in the next quarter. Of course, we'll be able to provide more guidance in terms of how the entire year will turn out for us as we keep executing on the strategy.

The second point I want to talk about is the tech practice that we have. And you all would recall that the tech practice has witnessed a certain amount of consolidation and insourcing in one of our accounts. And that has been a bit of a drag in the last couple of quarters. Q1 of this year was the final quarter in which some of that effect was felt in full. And therefore, there has been a bit of a contraction in that account. But overall, we were still able to show positive growth of close to 4%, in the technology practice in comparison to the previous quarter. Also, as we speak, there is a fairly large number of extension opportunities that we are pursuing. And then there is another USD 15 million plus in the pipeline, which we feel will add to the overall numbers for this year.

Again, if I look at the quarterly trajectory, even in the account where we experienced some contraction due to the consolidation and in-sourcing, I'm expecting that there will be a bounce back in that account. Maybe a short one, but a small amount nevertheless, getting back to a more positive trajectory in that account itself. And overall, the tech space should also continue to grow for us from here on. Overall, taking all of this into account, the tech practice should see growth in this year. We will provide more color on what percentage growth we will be able to project at the end of the next quarter. But as I pointed out, in Q1, we have seen a Q-on-Q growth of about 4%.

In the one account where the consolidation and all of that happened, we are seeing a large number of green shoots in terms of opportunities, and many of them in areas of business which are dominant for that client in the cloud space and in the platform that they have for the apps that they are able to disseminate through their platform. And also, in one of their enablement functions, their finance function, there is a fairly strong traction, and we won a fairly large engagement, which we are now executing. So overall, we feel confident that even in this account, there should be a more positive trajectory, that we're able to talk about in the coming quarters.

The third point, I just want to give some color on the overall demand trend. This quarter saw the addition of six new accounts, cutting across financial services and also in auto components. The one that we are particularly excited about is the work that we are starting to do for a client in the AI data center infrastructure space, where we are going to be supporting them with analytics that helps them understand the performance of their data centers. And this means all the metrics that everybody is these days bothered about in terms of energy consumption and cooling and so on. We are getting started with a few of them, but this is something that could be potentially relevant for several organizations that are investing a significant amount of money in building up the infrastructure that is needed for the AI space.

We also have a fairly healthy pipeline cutting across financial services, health care, BFS space, and consumer goods. There is an opportunity that we are on the verge of signing with one of the largest SaaS companies in the tech space, and we are seeing good expansion in retail and marketplaces, in automotive, and overall, in the technology sector as well.

With all of that, we are expecting that Q2 will be a bounce back in terms of the quarter-on-quarter trajectory. Of course, we will give a better indication as we wrap up the second quarter. But in general, at this time, there is good confidence that there will be a fairly strong bounce back in quarter 2.

And overall, for the entire year as well, based on the opportunities that we currently see in the pipeline, we are still retaining our earlier guidance that we had given, in terms of 12% growth. Of course, there are several things in the pipeline. And if those things come through, then the growth should be stronger than what we have talked about earlier.

Some color, in general in terms of what we are witnessing in the industry in terms of spending patterns and decision-making. There is some urgency definitely now with at least initiatives that are more AI-led, that are in pain points and opportunity areas that are reasonably well understood and established, and confidence that an AI-led approach, whether it is agentic or generative AI, will be the tipping point in terms of improving on efficiency, effectiveness, and velocity metrics.

So, we are seeing about 15-plus opportunities that have been generated on the back of AI-led prototypes and solutioning that we have done. And that gives us confidence that the momentum will continue, and that should contribute to the overall demand trend. Also, at this point in time, there are at least 14-plus opportunities that we are pursuing, where, if they materialize, we would get close to USD 0.5 million revenues in each of them in the current year itself.

So, there is enough large opportunities, there is momentum and there is urgency. Of course, there is still a lot of execution that needs to be done in terms of converting those opportunities.

The final point I want to talk about is give a little bit more color of the AI work that we are doing and, in general, what is happening in the space. But even before I talk about some numbers and the trends, I just wanted to explain how we look at AI revenue. We define AI revenue into two broad categories, one that we call primary AI revenue, where the definition pretty much is that we are building an AI solution. It could be traditional AI. It could be a generative AI or an agentic AI solution. But the AI nature of the solution is visible directly in the eyes and the hands of the customers, and what we deliver to them is something that they can directly interact with using an AI interface, either an agentic interface or a generative interface. And that is what we call primary AI.

Secondary AI in our definition, is all the work that we do that leverages AI for improving our efficiency and productivity so that we are able to execute the work faster and with less effort, translating, of course, directly into benefits for our clients in terms of the time that is taken to do the work, the effort that is taken to do the work and of course, the cost as well. So last year, if you recall, we had reported that for the full year for FY26, we had about half of our work, which were getting impacted by AI in a positive manner. And 28% of that work was primary AI work for the last year. We are happy to see that there is an uptick on both those metrics in Q1 of this year.

This quarter, when we did the math, we saw that about 80% of all the work that we do has an AI element, either primary or secondary. And about 35% of the work that we have done in the first quarter is all primary AI work, where we have delivered an AI solution in the hands of our clients. And we are expecting that this trend will only continue.

Several areas where the AI-led solutioning and the AI impact is felt, starting with customer journey analytics and prediction, content generation and dissemination for the marketing teams within our client organizations, migration of data, and legacy modernization, right, where data engineering flows are being architected as well as executed using agentic workflows; process scheduling, right, of jobs that has a direct impact on memory, computing, elapse time, and how all of these can be optimized using an agentic flow.

And in general, several multi-agent orchestration in relation to dashboards, reports, and dissemination of diagnostic analytics and insights that come out of it. So this is a fairly strong trend that we are seeing. Many of these are now emerging to be reasonably well-understood and established areas.

And therefore, we are expecting that the AI trend in terms of the nature of the work that we'll do will only continue. A few other things that we are seeing as trends in the broader market. You all would have already started hearing the term “forward-deployed engineers” in significant measure.

We are starting to see that as well with several of our accounts in the financial services and the tech space. The expectation is that our forward-deployed engineers will be able to sit with our clients and directly iterate and create solutions that can actually address the problem in a very imminent fashion, with the lowest amount of turnaround time that is possible.

So, we are switching to the forward-deployed engineering model also in many of those areas as well, with the requisite skills, capability, expertise, certification, domain understanding, and all of that draft into that model.

A second trend that we are seeing is that more and more of our clients want to do their AI work within their walled garden. What I mean by that is not relying heavily only on the OpenAI and the Anthropic models because, in some sense, if you are exposing all of your culture, and your context and your data, then there is very less that remains as competitive advantage.

So, there is a tendency on the part of many of the large enterprises, and even some smaller enterprises, that they would want to keep all of these within their walled garden and bring more neutral model, opensource models right into the picture so that the culture, context, the secret sauce and the competitive advantage are retained.

So that will mean that you're able to build RAG systems, semantic layers, knowledge graphs, which actually will retain all of the context within the enterprise and still be able to deliver the benefit and impact of artificial intelligence. We're also seeing that the whole AI play has to cut across the full stack of AI infrastructure, LLMs, large language models, and the data platform.

In some sense, this means that our own partnership has to be with the likes of NVIDIA that brings the best, or Google, for example, that brings its best graphical processing units and tensor processing units right into the mix; the likes of an OpenAI and Anthropic and other open-source models that are available from a modelling perspective, and then also with Databricks and Snowflake, for example, from a data platform perspective.

So, this is something that we are looking at executing as well, in terms of how we connect across this entire stack. Finally, we are also seeing that as we build agents, and we are designing them in a very competent fashion, with all the aspects around how they operate within the walled-garden concept that I mentioned, but also retain very strong fundamentals around observability, transparency, lack of hallucination, governance, guardrails.

It will be a good idea to bring all of these together into an agent foundry of sorts, which is available to us as a platform, which then can be leveraged across clients, across the different work that we do so that we don't have to keep reinventing all of that.

Internally, we are accelerating all of the learning and development initiatives and certifications. In fact, this week, there is a large Anthropic certification program that's underway, and more than 200 of our people have signed up for the certifications. We are already a recognized partner by Anthropic as well as OpenAI, and we'll be accelerating that program, right, as we move forward.

Finally, we are also doubling down in terms of our structure, how we organize ourselves. One big change that we'll be implementing will be the creation of a Chief Technology and AI Officer organization.

This team will bring together our AI products, our agents and our agent foundry, the partnerships and alliances that we have that I talked about, and our service delivery excellence team as well into one overall center of excellence, that can actually work with our business groups, the AI leads that we have in our individual business groups, and industry-facing teams across technology, financial services, health care, life sciences, and the consumer ecosystem and focus on building industry-specific solutions, creating the delivery bandwidth and the engine with the necessary skills and capabilities, and then also act on the go-to-market opportunities that are available.

The final point I wanted to make with respect to AI is on the question about AI-led productivity, whether it is retained by us. Is there a margin impact? Is it all being passed back to the clients. At this point in time, given that much of our work is in a managed services construct, a lot of the productivity benefits and the efficiency benefits do accrue to the client.

But I did touch upon the work that Decision Point does, for example, earlier. While there is shrinkage when you're not in a managed-services model, there can be unexpected shrinkages. But a model where you are contracting based on outcomes or deliverables and milestones in a fixed fee, fixed scope model, that would allow us to retain more of the productivity and efficiency benefits that could come through the adoption of AI-led approaches.

This is something that we are clear on. And internally, there is a mandate and a set of metrics that we are looking at in terms of how can we incentivize our project teams and our go-to-market teams, in terms of moving more to a scope deliverables milestone-based model. We will obviously be sharing more of this in terms of how this pans out for us over the coming quarters.

Finally, this foundry platform that we are creating that could potentially allow us to price our agents as well, and not just price the people that we are able to deploy. Potentially there could be a pricing that we come up with the agents for us. So overall, I think the momentum is very strong. We are making the right moves in terms of prepping ourselves for this AI-led evolution that is happening. And we expect that we'll be able to report even more positive results going forward.

With that, I'll hand it back to Raj to touch upon the financial aspects of the last quarter and also certain other overall indicators.

Rajan Venkatesan: Thank you, Rajan. Good morning, everyone, and thank you, Sonal, as well. Let me now quickly give you a brief about the financial performance for this quarter before we move into the Q&A.

So, for the first quarter, in rupee terms, our revenue stood at about INR 287 crores, which reflects a growth of about 21.6% on a Y-o-Y basis. However, on a Q-o-Q basis, we had a marginal decline of about 0.6% in rupee terms. If you look at the dollar revenue for the quarter, on a sequential basis, our dollar revenues came in at about USD 30.3 million. Sequentially, there was a shrinkage of about 3.5%. You would all recollect the guidance that we had put out just before the quarter, where our dollar revenues were expected to shrink between 1.5% and 2%. But in reality, the shrinkage was a little more than anticipated. Rajan also had already briefly touched upon the fact that there were a few one-off projects that we had executed in the CPG practice, specifically within the Decision Point entity, where what we did realize was there was follow-on work that we had anticipated on the back of some of these one-off projects, which did not really transpire as well as there was also extensions that were supposed to come in, right, which I think there was a delay in securing some of those extensions. Because of which the revenue realization within the CPGR practice for this quarter was lower than anticipated. We also spoke about the specific in-sourcing headwind that we had with one large tech account.

The additional color that I would like to provide is that while we did give this news of the insourcing happening in the last quarter itself, the last quarter still did have the benefit of one month of revenue. So, the insourcing happened sometime towards the end of January. So, we still had revenues for one month in the last quarter. The full impact of that insourcing was reflected in the current quarter. And so that resulted in an impact of about INR 500,000 for this particular quarter.

The third one is a client-specific discount that we also had to provide in the BFSI space. You would all recollect that in the last year, we had acquired a client where the growth has been fairly spectacular. This was a client that we had acquired in February of last year. But towards the end of this fiscal year, we were already at a run rate of close to about USD 10 million annually.

And therefore, we had a specific request from the client to provide volume discounts, given the surge in the overall procurement from Latent View. And there were one-time discounts that were agreed as part of the negotiations with the procurement team of this organization, and that impact was also reflected in the current quarter. So I would say these would be the primary reasons as to why, sequentially, there was a degrowth of about 3.5%.

Of course, we are very happy that despite these headwinds, that we witnessed, there was very strong execution in the financial services practice. Our TMT practice also, on a sequential basis, grew by about 4%. So through which we were largely able to offset the softness that we witnessed in the CPG practice. I'm going to talk a little bit about the geography split also.

You would have all noted that for the current quarter, our revenues from the rest of the world again, has gone down sequentially in comparison to the previous quarter. These again are related to the CPG practice because Latin America and Europe are key markets for our CPG practice, and some of the one-time projects that we did execute for clients emanated from these regions.

But just to add a little more color on that, like Rajan said, there are enough opportunities in the pipeline, we are fairly confident that we should be able to close and secure in the coming quarters, which will reflect in a fairly healthy bounce back in the CPGR practice, as well as the geographical contribution from Europe and LatAm, in the coming quarters.

I'm going to touch a little bit on the margin for the quarter. The adjusted EBITDA for this quarter came in at about INR 58.6 crores, reflecting an adjusted EBITDA margin of 20.4%. You would all recollect that typically Q1 is the quarter in which we do wage revisions. And we did wage revisions for close to about 70% of our entire workforce in this particular quarter.

The impact of this on our overall margins was close to about 2.7%, on an average, the wage hikes were in the range of about 8% for the entire organization. Of course, there was an impact of the revenue shrinkage, or the lower revenue, and that contributed about negative 1% to the decline.

The current quarter also had seasonally high visa costs as well as marketing costs that did impact the overall EBITDA margins. But we also had lower travel costs, which, to some extent, offset the shrinkage as a result of the wage hikes as well as lower revenue.

Net-net, I think a few of the things that I would also want to highlight is that we will continue to sort of look for opportunities to deploy the capital, whether it's in the form of partnerships, whether it's in the form of leadership hiring, whether it's in the form of M&A. M&A, again, I would say, within the organization, there is a fair bit of momentum.

We've been looking at several opportunities, specifically in the data engineering as well as the life sciences space. Hopefully, we should have some news on that front in the coming quarters. With that, I think despite all these investments, we do remain focused on balancing growth with profitability and maintaining strong financial discipline.

Looking ahead, all our priorities remain unchanged. We will continue to focus on driving sustainable revenue growth. We will continue to focus on improving overall productivity as well as margins through the use of AI as well as investing in future capabilities that will deliver long-term value to the shareholders.

With that, I'm going to hand it back to the operator for the Q&A session.

Moderator: Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Aditi Patil from ICICI Bank.

Aditi Patil: Yes. Thank you for the opportunity. My first question is on our revenue guidance of 12% for the full year. That implies a very high sequential growth rate in next three quarters, maybe 7% plus CQGR. So, is this based on the deals which we have already won? Or does it also depend on closure of some deals in the pipeline?

My second question is on that this quarter, we have shared our SG&A cost, COE cost, and gross margin. So, excluding the direct cost, SG&A and COE, the remaining portion, 21% of revenue, what are the major components to which we can attribute this cost, because this seems on the higher side?

And my third question is on the transaction-related expenses. Earlier, we had mentioned that by Q4 FY26, the transaction-related expenses will be completed. How long do we expect that to continue, because we have it in this quarter as well?

Rajan Sethuraman: Okay. Thanks for the question. I will answer the part related to the growth trajectory, and then I'll pass it to Raj for answering the other questions. The confidence in relation to the 12%, we can see it in the confirmed numbers for this quarter, the quarter that is currently underway, Q2. Of course, a few of the other things that I mentioned in the pipeline, and the expansions and extensions, need to come through for the 12% for the overall year.

But out of the overall pipeline of extensions and new opportunities, for the 12%, there is a reasonable confidence at this time that those line items will come through. There are other line items in the pipeline which, if they materialize, then we could go past the 12% number. But at this point in time, for the next quarter, there is a good deal of confidence, and we have reasonable confidence for the 12% that I talked about.

Aditi Patil: So, we do not see any downside risk to this 12% guidance at this point of time?

Rajan Sethuraman: Yes, unless there are any other adverse events that happen in terms of what we are currently seeing as confident line items, I mean, this is something that we typically keep evaluating on an ongoing basis for every opportunity that we are pursuing. For this 12%, there is reasonable confidence, we should be able to go into that.

Aditi Patil: Okay.

Rajan Venkatesan: Aditi, your next question was in relation to the split of the cost. So what you see is direct cost, SG&A. So, SG&A, by the way, just to sort of help you understand, this is just a pure overhead cost. So what incremental to this, you will see the payroll cost of sales and marketing, as well as the corporate management costs. So all of the payroll cost in relation to that is in addition to this. So the remaining 20% is comprised of those costs.

Aditi Patil: Okay. And the transaction-related expenses, will they continue for this year?

Rajan Venkatesan: No. So, this is the last quarter in which we have transaction-related costs. From this point onwards, you will not see that going forward.

Moderator: The next question is from the line of Sankaranarayanan from ithought PMS.

Sankaranarayanan: Firstly, on the productivity gains that you are taking. So, if you could help us understand what are the typical range that we see in our existing book of business. And at the time of renewal, does the client want to reinvest back to us? And I wanted to know the equation where, let's say, a client prefers to spend that analytic spend with you and areas that they want to capture those benefits within themselves.

Rajan Sethuraman: See, the general productivity lift that we are seeing, at least with the projects that we have completed so far, in terms of pure efficiency, productivity gains, and the speed at which you're able to do the work. It ranges all the way from 30% to 80%. So there are several engagements where the productivity benefits are fairly large.

Like I said earlier, I mean, if it is a very well understood area and then you can create the kind of an agentic architecture or solution that addresses all the aspects with the right kind of governance and guardrails, then it is possible to significantly bring down the effort.

However, I do need to add a caveat here that a lot of the work that we do is in the nature of helping with optimization and decision-making. And optimization and decision-making context and questions keep changing all the time. Therefore, you do need to put in effort on the new questions that come in.

Of course, even that will benefit from the productivity gains, but it is not like a customer contact center, for example, where if you come up with an agentic solution, then you can go ahead and then actually eliminate a fairly large number of humans in the loop.

The nature of the work that we do is different, and therefore, we'll have to take it in that context in terms of how things are going. On the other part related to whether clients will want to do a lot of these things themselves, I would say that it is not that easy.

In many instances, the issues that clients grapple with involve 3 or 4 areas. One is just the data silos and the fact that you need to bring it all together and then put it into the kind of platform and architecture that allows you to capitalize on the AI opportunities, on the AI stack that is available.

Secondly, as I mentioned, you need to get alignment between your infrastructure, your use of external large language models, your internal SLMs and RAG models, and the semantic layers and the knowledge graphs that I talked about and then your own internal data platform, whatever you are standardized on.

That alignment between the stack is also a fairly complex thing, and there are innumerable choices available to clients and they need to make the choices that will actually have the right kind of impact, not just in terms of the effectiveness and the efficiency of the solution, but also in terms of the governance, the transparency, the guardrails, and all that.

So, this is a challenging thing. And I do believe at this point in time that organizations will need the help of external participants who are more in the now and who are constantly evaluating and answering these kind of questions. So, my expectation is that this will continue, and this complexity is only increasing.

I talked about how many organizations will want to do this within their walled garden. And therefore, it is not just as simple as saying that I will just depend on an OpenAI or Anthropic to do all the solving for me and then throw all of your data and context right over to them. You got to figure out how you want to architect these things internally, and that is where partners like us can be of help.

Sankaranarayanan: Second, our target of achieving USD 200 million revenue by FY 28 and '29. So how much of that will be achieved through inorganic activities? And if a good portion of that comes from an organic perspective, which verticals do you see that it can help to achieve this number?

Rajan Sethuraman: The organic part of it, I'll answer the second part of the question, and then I'll get to the numbers. The organic part of it, I think we see very strong momentum in our financial services practice. We already have one significant health care client on the payer side. You all know about the investment that we have made in Healtheon, which is a revenue cycle management company. They are now in the process of building out all the agents that will not only address the RCM problem, but many of them, in a componentized fashion, can be used for addressing aspects within other problem statements as well.

So, we are expecting the financial services and health care life sciences to get some good momentum on the back of everything that we are already doing on an organic front. We are also seeing very strong momentum in our retail marketplaces vertical. I mean, marketplaces is kind of part of the technology thing. But internally, we look at retail and marketplaces together. So, whether it is e-commerce platforms or whether it is food providers, or whether it is other fashion retailers, or any other platforms that are available, we see good strong traction in all of them, both in existing accounts as well as new accounts.

Our industrial practice has also been growing. I talked about work that we are doing with auto and auto components. We are starting to do work with data centers and data center infrastructure. That will come under the industrial practice, with the technology flavour, but of course, I mean, if you're running the center. So, we are seeing strong momentum in all of them.

Consumer goods is where we do need to convert the pipeline that I mentioned. It should see a bounce back through the course of this year. So all these things provide some degree of confidence that the organic growth trajectory itself will be strong.

Now, how much of that USD 200 million, we will get to that? I mean, it will all depend on how this year plays out. We have two years, this year and the next year available to us. Last year,against an average trajectory of about 26%, 27% that we needed to be on, we did about 19%, 20%.

Now this year, I indicated that the confidence is there for 12%, but many things need to materialize, right, for us to go past that number. Now obviously, we are always evaluating inorganic opportunities. There are one or two very strong opportunities in the pipeline.

One of them is very interesting because it's a mix of health care, life sciences as well as data engineering work. And we believe that, that could be a great combination. We are in the final two there. I mean there is a letter of intent, and discussions going on at this time.

So, whatever we are able to do through organic, the gap will look to fill through inorganic opportunities. If we do it in one of those momentum spaces, then even the inorganic part that we do will start contributing towards the USD 200 million trajectory, not just for the current year alone, but for the next year as well, rate growth on track. So that's what we invest.

Sankaranarayanan: Got it, sir. And finally, I wanted to understand the number of data analytics partners that these clients will be working with. So, are we seeing any consolidation in the number of vendors that they are working with? Can you just tell over the process of, let's say, typically, how many vendors we may be engaging with? And what will be our wallet share over the top account?

Rajan Sethuraman: Yes. I'll answer this in two parts. One is, in general, for very large organizations, I'm talking Fortune 500, Fortune 50 companies, they always have an ecosystem of partners. When I say an ecosystem, an ecosystem that could run as wide as even 20, 30 partners in the mix. And when you talk those kind of numbers, then you're talking about a wallet share of like anywhere from 2% to 5%.

And that is because these organizations themselves have multiple businesses, multiple geographies and therefore several spending centers and budget holders, right? And each of them, they will have partners that they are familiar with and they are comfortable with. So, this is just in terms of the large organizations. Smaller organizations, obviously, if they are looking at a few analytics partners, right, as the primary partners. It could be to the tune of 2, 3 partners that they work with. I mean there are several clients where we are the only partner that they work with as well, wherein we'll have a wallet share of 100%. So this is one aspect.

The other aspect I kind of alluded to, it is always the wallet share question is more relevant in the context of a particular business or a spending center, as opposed to looking at the entire organization, because of the nature of the work that we do.

And given that different stakeholders in the organization have their preferred partners, in most instances, even today, when it comes to new work that we are proposing or extensions, there isn't any competition that we are encountering, on that particular conversation. Competition will always be at an overall account level, but each of us have our niches and our strong relationships, and that's what we capitalize on.

Moderator: The next question is from the line of Karan Uppal from Phillip Capital India.

Karan Uppal: So, on the AI aspect, Rajan, in your opening remarks, you had mentioned about the primary AI, which is 35% of your revenue, which is traditional, generative, and agentic AI. I just wanted to understand how are the margins in deals as well as the deal sizes are for such engagements?

And a related question to that is on the secondary AI, which is AI infused in the projects, maybe you are using Claude code, OpenAI Codex, given the tokenization debate which is happening, so would that be a margin headwind as you more and more use these tools? Yes, these are the 2 questions.

Rajan Sethuraman: Karan, nice to hear from you. So Karan, on the first question, I think in the medium term, the primary AI work should be margin accretive, especially as we build the foundry and the agentic platform, and we are able to do more work in a prepackaged fashion.

At this time, given the primary work in AI work involves a lot of the forward deployed engineer kind of a model, where we're sitting with the client and doing the work, a good chunk of that is also happening on-site.

I'm not saying that it's all on-site, but if I take the on-site/ offshore mix for the primary AI work, that will be a little higher in comparison to the rest of the work that we do. And that has an impact on margins at this time. But over a period of time, we should be able to get better pricing for the FDEs that we are deploying.

I mean, right now, it's all in the state of flux, and then everybody is trying to jockey in and get into those opportunities. Clients are also saying how can you help us do a few things, which actually prove the case in point.

And that is the state that we are in right now. But over a longer period of time, I'm expecting that the primary AI work will be more margin accretive as we move forward. And your second question, sorry, Karan, if you can remind me again.

Karan Uppal: Yes. Second question was on the secondary AI, 80% of the work which is secondary AI. Maybe you must be using Claude code, OpenAI Codex and similar platforms.

Rajan Sethuraman: Yes, you're asking about the token cost. No, that is not a consideration at this time because in 95% of instances where AI is being used to speed up the work and improve the efficiency, the entire tech stack and the environment is provided by the client. So, it is not a cost that we incur directly.

Tokenization costs are currently being considered only by the client at this time. So that is the context. But of course, they will be monitoring that. I hear many instances and examples where people are taking a sledgehammer to a nail, and that may not be needed. Also, in the current euphoric state, AI enablement is what is being measured.

When I say enablement, I mean organizations are looking at whether they have provided the AI tools to people. That is the main metric rather than whether it's efficiency or an effectiveness or a velocity metric. In this state, therefore, there is a lot of the euphoria, but I'm hearing examples already where clients are starting to really look at what does this really mean?

Because my token cost is going up significantly. Does it make sense for me to be using an AI-led solution for this problem? Or am I better off with more humans in the loop. I think this is a question that will continue to get answered in the coming quarters.

Karan Uppal: Got it. And just one follow-up on your answer to the second question. So, clients are now preferring more opensource models, open weight models, maybe SLMs, so different models for different tasks. So, in this context, the relevance of the system integrators like you should increase ideally. Is that what you are also seeing on the ground?

Rajan Sethuraman: That is correct. Because the more choice that is available in each layer of the stack, and the more the interest of enterprises in retaining much of that competitive advantage within their premises, the more complexity that will be there in decision-making. And one is not just talking about the cost of doing it using an AI-led solution versus a human intelligence-led solution. It's also about scalability.

It's about all of the points that I mentioned earlier in relation to governance. And that is a fairly complex thing for organizations. Right now, everybody is courting one another because they all know that if they don't do that, they will get left behind.

So, whether you talk about a Databricks or an OpenAI or Anthropic or any of the other infra providers as well, everybody wants to make sure that they're not getting left out.

But eventually, the competitive pressures will also come through. Especially, I mean, if OpenAI, Anthropic do their IPOs and get listed, then there will be more questions that investors will be asking of them as well in terms of how are they realizing the return on investment for all the investments that they are making. So, I think it will get a bit more interesting in a year from now. But right now, everybody is just happy with everyone else in the same room.

Karan Uppal: And last question is to Raj in terms of the margin outlook. So given where we are, our medium-term margin aspirations was, 21% to 22%. So how soon can we get there?

Rajan Venkatesan: So, to answer that question as we continue to sort of work through the rest of the year, the couple of areas of investment that we've already outlined is Rajan also spoke about setting up the Chief AI Officer organization. So that will be an investment that we will make as well as the investment in the

CDO function as well as the partnership function will be another function that we will try to definitely augment. So those would be the two investments that I would say, which are currently not captured in the P&L as it stands today. But as the business continues to scale, I think there is enough headroom to manage the margins at current levels. Even for this quarter, we had guided in the range of between 20% to 21%. I think we are very positive about holding on to the 20% to 21% for the growth profile that we intend to deliver this year, along with the investments that we've already outlined.

Moderator: The next question is from the line of Pritesh Thakkar from Prabhudas Lilladher.

Pritesh Thakkar: So, I have a first question on the CPG side. The project that we concluded in Q1, what was the quantum of revenue from that project that we could not scale to Q1?

Rajan Venkatesan: So roughly about INR 800,000 to 850,000 of projects where these were more in the nature of, I would say, onetime projects that we signed up for in Q4, where we didn't have follow-on revenue in Q1.

Pritesh Thakkar: Okay. Understood. And just wanted to understand how many of such project-led business contracts that we have in our portfolio, if you can bifurcate the proportion of project-led work versus managed services that you currently have?

Rajan Venkatesan: So, project-led work, on an overall basis, ranges between 15% to 18%. Managed services is between 65% to 70%. And then pure T&M, you can call it an augmentation type work. So that will comprise the remaining, Pritesh.

Pritesh Thakkar: Okay. Any visibility that we have that sort of work coming in Q2 or Q3 that will again have an impact in the following quarters or years?

Rajan Venkatesan: Not really. I don't think we have such, lumpy sort of contracts that we anticipate in the coming quarters. But you would also appreciate that as we continue to do more integration along with Decision Point, our endeavour over there as well is to move them from doing a lot more project-based work to maybe running larger programs within the client organization. So that's a constant endeavour that we will have. But the Decision Point business is where we do bulk of the contracting on the fixed-fee, fixed-scope sort of basis.

Rajan Sethuraman: I'll add to that, Pritesh, I mean, see, it's a double-edged sword. Like I mentioned earlier, if you're going to be contracting on a managed services model or a T&M model, it is largely based on the number of people you deploy, their seniority and expertise and, in some sense, the rate that you can charge for them individually or as a team.

And it is very much predicated on the effort and the capacity that you're providing. It's only an instance where you're contracting using model that is predicated on deliverables, milestones, outcomes that you have the opportunity to retain more of the efficiency-related margins.

So those things that we will continuously evaluate and balance it out. So yes, obviously, but the second category of work will mean that there will be some amount of lumpiness. So, we need to understand how much are we willing to tolerate in terms of uncertainty.

There could also be other models that evolve, maybe within the managed services construct, we might be able to dial up and dial down. I also mentioned that we will try and find ways by which we can start pricing our agentic foundry. If we're able to do that, then some of this could be alleviated.

Pritesh Thakkar: Understood. Now thirdly, on the AI side, we highlighted our primary and secondary of activities that we do for our clients. So, just wanted to understand those activities are largely linked to what we are doing along Databricks, or we are solely approaching this complex part of the activities on AI?

Rajan Sethuraman: It's not just Databricks. It is across multiple options that are available to clients, and it is also across the stack. So, the nature of the work itself could range all the way from just helping with data foundations, data engineering pipelines, events, and batch processing. I mean, it could be any of those things on the data layer.

It could also be any kind of analytics, all the way from diagnostic, descriptive, predictive, prescriptive, whatever model building, business insight generation, dashboards, optimization and decision-making, right calls on spending money, whether it is marketing spend or supply chain inventory spend.

So, it could be a fairly broad spectrum of work, which means that we will have to do work with the partner that the client is already working with.

This work, therefore, ranges across Databricks, Snowflake, GCP, work that we are doing on Microsoft and Azure, just from a data platform AWS as well. And then it will also leverage all kinds of other ecosystem players, whether it's on the infrastructure layer, whether it's the dashboarding reporting layer, or whether it is the algorithmic approaches that are available from different partners on the analytics and modelling algorithms. So, it's a fairly broad ecosystem that we need to partner with.

Moderator: The next question is from the line of Shubhi Gupta from Trinetra Asset Managers.

Shubhi Gupta: My question is that you mentioned just some time before that all the players have their own niche. So, if you could throw some more light on the competitive positioning of the company versus our peers? And if there is any moat, how do we see that?

Rajan Sethuraman: Yes. So, Shubhi, our history and experience have been largely at the front end of the value chain. By that, I mean all the way from customer and marketing analytics to fraud, risk, compliance, and financial analytics because these are interventions, decision-making and optimization interventions that you need to make right at the time of acquiring the customer, marketing to them and retaining them.

So, work related to segmentation, cross-sell, loyalty, personalization, marketing return on investment, media mix model. These have been our traditional forte. Fraud detection, counterfeit detection, and figuring out whether a transaction is fraudulent are all areas where we have very strong credentials by virtue of working with many tech companies, e-commerce platforms, and all other kinds of tech-based interaction systems that are there.

Interestingly, these are also now being adopted by consumer and retail companies. For example, retail media network is a very big phenomenon today, and many of the capabilities that we have built in working with the tech ecosystem is relevant there as well. But our forte is really in the front end of the value chain.

Supply chain has been an emerging capability area for us. So this is something that we are building. And again, if you look at it from an industry perspective, the big chunk of work that we do is still with the tech companies.

But we have seen phenomenal growth in financial services, particularly in relation to asset management, payments ecosystem, many digitally intermediated kind of industries and sectors. That is where our capabilities lie.

As more sectors and more organizations start leveraging digital mechanisms, whether it is their internal supply chain or whether it is their interaction with their customers, we believe that our forte and our capabilities will be relevant to them.

Moderator: The next question is from the line of Agam Shah, an Individual Investor.

Agam Shah: Two questions. In your comment on the opening remarks, you mentioned that there was some softness from a few of your customers. Could you elaborate on that? So, what is exactly happening on the demand front? And what is the expectation from the client end?

And second thing, if I heard it correctly, so for the full year, the growth guidance you have been giving is 12% last two years, we've been growing in about the range of 17%, 18%. So, is it that the visibility so far we have is guiding it this year seems to be a little softer in terms of growth?

Rajan Sethuraman: Sure. Thank you for your questions, Mr. Agam Shah. The softness that I alluded to, one was the particular account in the tech space where we talked about some amount of insourcing and consolidation. And that did erode almost USD 7 million, USD 8 million of business for us.

That business, which we were doing last year, and which we are now opening created a gap down. That is also one of the key reasons for the 12% guidance. I mean if that USD 8 million, USD 9 million of revenue were there, then we would have been able to give much better guidance for this year.

But having said that, I mean, that was triggered by two reasons. One is there was a change in leadership at the client end. And the person who came into the role had a very personal philosophy, in terms of how much work they wanted to do with their vendors and partners versus what they want to do internally.

There was also a cost reduction mandate that was given out, largely driven by the fact that tech companies in this particular organization, they are investing trillions, billions of dollars into data center infrastructure and AI-related infrastructure.

So, all of that has meant that we witnessed this impact in this particular account. But it is in the very same account where we are seeing a lot more opportunities.

I alluded to opportunities within their cloud business, within their platform using which they disseminate applications. I talked about the work that we're starting to do for their finance function. All of that gives us confidence that even though we started with a gap down this year, we will be able to more or less plug that gap in that account during the course of this year itself. Of course, in a better year, it would have meant that we would have been able to grow on top of the base that we have built. And that is also the reason why our guidance is muted. for this year, it's at 12% rather than being at the 17%, 18% that you mentioned.

Agam Shah: Okay. And also one more continuation part. So, is it that the backlog for the target to achieve USD

200 million for FY28, '29 would be much higher year in terms of growth? And will it be done by inorganic, as you said? Or so how are you looking at it?

Rajan Sethuraman: Yes. We do need to ratchet it up, obviously. I mean, because of what we are seeing at the start of this year, we'll have to press the pedal on many things in terms of accelerating it from here on.

And some of the things that I talked about, whether it is the Chief Technology and AI Officer idea or the doubling down on not just Databricks as our partners, but I talked about Snowflake, for example, we have a partnership that we are doing with OpenAI and Anthropic. The AI-led focus is what we are expecting will really help us from an organic standpoint.

The inorganic strategy will have to dovetail with that. I mean we see a very strong momentum in financial services and health care and life sciences. And that is the sector where we are also looking to double down on the inorganic front.

So, the combination of these things is really what we need to deliver on in terms of ratcheting up the growth rates that we need in order to get to the USD 200 million mark.

Obviously, all of this is also contingent on in general, how the macroeconomic scenario plays out and all that. But we believe that we are positioned well that we are making the right moves at this time, whether it is internal capability building, the solutioning, the platform, the agentic foundry that I called out, or whether it is the go-to-market and the partnership action that we are currently executing.

Moderator: The next question is from the line of Rohan Nagpal from Helios Capital.

Rohan Nagpal: So, one thing on the volume discount, how much of an impact did that have on revenue, the volume discount they provided to the FS customer?

Rajan Venkatesan: Yes. So, this particular quarter, that impact was close to about 400,000 in dollar terms.

Rohan Nagpal: And the second question was, when you had given guidance in Q4, you had said 21% to 22% EBITDA. That was planned using 92-odd levels for the currency. Just wanted to understand how exactly does the movement in the dollar change impact your margins? How much is, a natural hedge? And for every rupee of depreciation, how does that impact your margin? And is that still in play? Or is that sort of washed out by additional investments that you have planned?

Rajan Venkatesan: So Rohan, so if I understand your question correctly, your question is the guidance was in Q4 was to deliver between 21% to 22% in EBITDA. But then given the appreciation in the dollar, why aren't we seeing the goodness from that appreciation flowing into the bottom line, correct?

Rohan Nagpal: Yes, over the course of the year because you had a bunch of impacts this year. So just wanted to know, one, is that 21% to 22% still in play? And is the upside still in play, given the investments that you've outlined?

Rajan Venkatesan: Rohan, for this year, obviously, like I said, our guidance would still stay in the 21% to 22% range. In fact, some of the investments that we are outlining towards setting up the Chief Technology and AI Officer function as well as the partnership function will offset any benefit that we will see from dollar appreciation. We believe that these investments are also very important for us to set up the business for sustainable growth. So, our focus will be to operate in the margin range that we've guided, our immediate focus is to set up these functions, which will help us deliver the growth that we need to push for to get to the USD 200 million revenue guidance that we put out. So, at this point, we don't intend to up the EBITDA margin guidance.

Moderator: Ladies and gentlemen, we'll be taking the last question. That is from the line of Pritesh Thakkar from Prabhudas Lilladher.

Pritesh Thakkar: So just one data point from my side. On the Databricks engagement, how much is the revenue for this quarter or if you can provide a little bit detail on that.

Rajan Venkatesan: Yes. So we guided last year that the net new revenue, which is purely Databricks revenue, where it's either clients that we've sourced through the channel or have been sort of introduced to us by Databricks. That revenue for the last year was close to about USD 5 million. But work that we do on top of the Databricks platform or ecosystem, which drives consumption for Databricks was close to about USD 17.5 million to USD 18 million for the last year.

The run rate continues to be the same for Q1 as well. But what we are very excited about is a few of the opportunities that we are currently chasing, which are there in the pipeline, which should push that revenue up. But for now, the revenue continues in the same run rate as it was for the last year.

Rajan Sethuraman: Yes. In fact, I would say it's strengthened a bit actually in comparison to the last quarter. I think last quarter, we did about USD 7.5 million, roughly that number. This quarter is also about USD 7.8 million or so, and we are seeing that, that will bump up to about USD 8.5 million, right next quarter in terms of just the data work that we are doing on the Databricks platform.It doesn't mean that we are implementing Databricks. In several instances, it could be that we are using the Databricks platform to deliver the analytics use case or the AI use case that we might be executing. But the momentum is fairly strong.

Pritesh Thakkar: Understood. And lastly, on the margin side, I mean, you indicated 70% of the workforce you've given out wage hikes this quarter. So, 30% is still left. So how much is the impact we're expecting in Q2?

Rajan Venkatesan: The additional products, so we did talk about it. Bulk of the wage hikes are already done. So, you saw 2.7% impact. You would see a further impact of about 40 to 50 basis points in the following quarter, but we believe that the bounce back in the business should be able to absorb the incremental cost.

Moderator: Thank you. Ladies and gentlemen, that was the last question. I now hand the conference over to the management for the closing comments.

Rajan Sethuraman: Yes. Thank you. I think we covered quite a bit in our opening remarks as well as the Q&A session. I am fairly enthusiastic about the whole AI evolution that is happening. And while there have been concerns related to what will this mean for services organizations and all that, today there is a lot more confidence that service providers and partners will be needed in the mix in order to help clients navigate the complexity that is emerging.

And I also alluded to the fact that enterprises will want to retain their secret sauce within their premises, within their walled garden, so to speak. And I think that is what creates a lot of opportunities. There is more urgency and in general, a sense of optimism with clients in terms of moving forward with a bunch of things. So, we are expecting that all of that will translate and add to the momentum in the coming quarters. Of course, the general overall macroeconomic dynamics, the war, all of these things will also play out, over the next few quarters. So, I would just want to make sure that we are doing everything that we have within our control to help navigate what we witnessed in terms of complexity and changes that happen.

But otherwise, we are internally preparing and doing all the right things, whether it's our structure, our people, process capability, tech enablement. And that's what the focus will be in the next few quarters as well. I will hand it over to Sonal also to share her remarks and then we close the call.

Sonal Ramrakhiani: Thank you. Yes, just to reiterate the points that Rajan was making, I think overall, demand-wise, there is a fair bit of bullishness. Of course, it's dependent on how close we get to customers and our execution strategy, like I mentioned in the beginning.

Over the next few weeks, as I deep dive more into everything that's latent View, those are the elements that we will be fleshing out that we will be putting in place. Some of you asked the questions on the long-range plan and what we are doing as far as specifics are concerned. Those are the details that we will be fleshing out, get back to you, and hopefully have another conversation to walk you through that and get your feedback. But overall, like I said, from an industry perspective, yes, there are some uncertainties and macroeconomic changes that are happening, etcetera.

But it's about the planning and the risk management and that and most importantly, on the execution of what we've already laid down as our strategic focus areas, whether it is organic growth, inorganic investments, geographic expansion, all of that. Stay tuned. We will come back to you with more details on the granularity of that, and I'm looking forward to engaging further with you and for your support and partnership. Thank you.

Moderator: Thank you, members of the management team. Ladies and gentlemen, on behalf of Latent View Analytics Limited, that concludes this conference call. We thank you for joining us, and you may now disconnect your lines. Thank you.

Note: *This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.*