

Transcript of 18th Annual General Meeting
("AGM") of Latent View Analytics Limited held
on
August 27, 2024 from 9.00 AM (IST) to 11:00 AM
(IST) through video conferencing

DIRECTORS AND KMP'S PRESENT

Name	Designation
Mr. A.V. Venkatraman (Venkat)	Executive Chairperson
Ms. Pramadwathi Jandhyala (Pramad)	Whole Time Director
Ms. Dipali Sheth (Dipali)	Independent Director
Mr. Mukesh Butani (Mukesh)	Independent Director
Mr. R. Raghuttama Rao (Raghu)	Independent Director
Mr. Reed Cundiff (Reed)	Independent Director
Mr. Rajan Sethuraman (Rajan)	Chief Executive Officer
Mr. Rajan Bala Venkatesan (Raj)	Chief Financial Officer
Mr. P. Srinivasan (Srini)	Company Secretary

OTHER INVITEES IN ATTENDANCE

Name	Organisation Name
Ms. Pratima Narang	M/s. BSR & Co LLP, Statutory Auditors
Mr. M. Alagar	M/s. M. Alagar & Associates, Secretarial Auditors
Ms. Ramya	
Mr. Ashwin S	M/s. BDO India LLP, Internal Auditors
Mr. Arun Kumar Rajagopalan	M/s. Price Waterhouse & Co Chartered Accountants LLP, Incoming Statutory Auditors
Ms. N. Gauthami	
Mr. Ramakreshnan Hariharan	
Mr. Rajiblochan Sarangi	Scrutinizer, Practicing Company Secretary

- **Moderator**
- Dear shareholders, Good Morning and a very warm welcome to the 18th Annual General Meeting of Latent View Analytics Limited conducted through video conferencing or other audio-visual facilities. Please note that as per the requirements the proceedings of the Annual General Meeting will be recorded and available on the website of the Company.
- I now hand over the proceedings to Mr. A.V. Venkatraman, Executive Chairperson of Latent View Analytics Limited.
- **Mr. A.V. Venkatraman**
- Thank you Hugo.
- Dear shareholders, members and invitees, Good Morning, I am A.V. Venkatraman, Executive Chairperson of the Company. I have joined the meeting from the registered office of the Company in Chennai. On behalf of the Board of Directors I take pleasure in welcoming all of you to the 18th Annual General Meeting of the members of Latent View Analytics Limited. I trust that all of you and your family are safe and healthy. This meeting is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. The Company has made all feasible efforts to enable members to participate through video conference and electronically vote on the items being considered for the meeting. Now with the requisite quorum of shareholders being present I call this meeting to order.
- Before we start the main proceedings of the meeting, I would now request my colleagues on the board and the KMPs of the Company to introduce themselves and confirm the place from where they are attending the meeting.
- Let me first invite Pramad.
- **Ms. Pramadwathi Jandhyala**
- Thank you, Venkat.
- Good Morning, everyone, and a very warm welcome to today's AGM. My name is Pramadwathi Jandhyala. I am a Wholetime Director of the Company and Chairperson of the Corporate Social Responsibility Committee, attending this meeting from the Registered Office of the Company located in Chennai.

- Thank you.
- Over to you, Dipali.
- **Ms. Dipali Sheth**
- Good morning, everyone. Thank you, Pramad.
- A very warm welcome to everyone to the Latent View Analytics AGM. I am joining from Mumbai and I chair the NRC Committee. I would like to invite my colleague Mr. Mukesh Butani to join next.
- **Mr. Mukesh Butani**
- Thank you, Dipali.
- Good morning, everyone, this is Mukesh Butani, Independent Board member and chair of the Audit Committee joining the AGM from my residence in New Delhi.
- Over to you, Raghu.
- **Mr. R. Raghuttama Rao**
- Good Morning, my name is Raghuttama Rao, I am a Board Member and Independent Director of the Company and Chair of the Risk Management Committee. I am joining this meeting from my residence in Chennai and I wish everyone a great AGM.
- Over to you, Reed.
- **Mr. Reed Cundiff**
- Thank you, Raghu.
- This is Reed Cundiff, an Independent Director with the Company. I am also Chairperson of the Stakeholder Relationship Committee. I am joining today from Edison New Jersey in the United States.
- Over to you, Rajan.
- **Mr. Rajan Sethuraman**
- Thank you, Reed.

- Good Morning and welcome to the AGM, everybody. This is Rajan Sethuraman, Chief Executive Officer of the Company. I am joining the call today from Bangalore. Over to you, Raj.
- **Mr. Rajan Venkatesan**
- Thank you, Rajan.
- Good Morning all shareholders. My name is Rajan Venkatesan, I am the Chief Financial Officer at LatentView. And I am joining this meeting from Chennai. Over to you, Srin.
- **Mr. P. Srinivasan**
- Thanks, Raj.
- Good Morning, everyone. Myself, P. Srinivasan, Company Secretary, attending the meeting from the registered office of the Company located in Chennai.
- Thank you. Over to the Chairperson.
- **Mr. A.V. Venkatraman**
- Thank you, Srin.
- In addition to the board members and KMPs we also have key executives joining us from their respective locations. The representatives of existing Statutory Auditors - BSR & Co LLP, proposed Statutory Auditors - Price Waterhouse Chartered Accountants LLP, Internal Auditors - BDO India LLP, and Secretarial Auditors - M. Alagar & Associates have also joined this meeting.
- Now I request Srinivasan, our Company Secretary to provide general instructions to the members regarding participation in this meeting and voting procedures.
- **Mr. P. Srinivasan**
- Thanks, Venkat.
- Welcome, everyone. Members may note that this Annual General Meeting is being held through video conferencing in accordance with the provisions of the Companies Act and SEBI LODR Regulations. The facility for attending

this meeting through video conferencing is made available for the members on a first come first served basis. The register of directors and key managerial personnel, the register of members the register of contracts and arrangements and all other documents as mentioned in the AGM notice are made available electronically for inspection by the members during this meeting. Members seeking to inspect any of these documents after the meeting may write to us at investorcare@latentview.com. As the AGM is being held through video conferencing the facility for appointment of proxies with the members is not available. The Company has received request from few members to be registered as speakers at this AGM. Accordingly, the floor will be open to those members to pose their questions or express their views upon confirmation from the Chairperson. Members can also pose their queries or views under Q&A box available at the video conferencing page. It may be noted that the Company reserves the right to limit the number of members asking their questions depending on the availability of time at this AGM. The Company has provided the facility to cast votes electronically on all the resolutions outlined in the notice from August 23rd to 26th. Members who have not cast their votes electronically and who are participating in this meeting will have an opportunity to cast to their votes during the meeting through e-voting system provided by the CDSL. Once again this will be with the approval of the Chairperson. Members are requested to refer to the instructions provided in the notice or appear on the video conference page for seamless participation through video conferencing and e-voting. If you face any difficulty, you may reach out to the helpline numbers or contact provided in the AGM notice.

- Thank you very much.
- With this I hand it over to the Chairperson.
- **Mr. A.V. Venkatraman**
- Thank you, Srini.
- Dear shareholders, welcome to the 18th Annual General Meeting at LatentView. As we gather again virtually to discuss the progress made in FY24 on behalf of your Board of Directors, I thank you for taking the time to join us today and thank you for your trust in LatentView.

- The global economy has shown remarkable resilience amidst various challenges in the recent past. Despite inflationary pressures and geopolitical tensions, economic activity has remained largely steady with major economies maintaining growth. The increasing demand for data analytics and AI driven solutions continues to drive significant growth in the technology sector. AI's impact is extending beyond tech to traditional industries as well. This unprecedented shift has set the stage for continued expansion of data analytics market reflecting these technologies' critical role in modern business strategy.
- Data analytics is no longer just a tool for improving business operations, it is a strategic asset that drives decision making and fosters innovation. We are proud to lead this transformation utilizing the state-of-the-art data analytics and innovative methodologies to deliver actionable insights that simplify decision making for our clients. Our comprehensive solutions empower businesses to navigate complex digital landscapes, enhance customer experience and drive sustainable growth.
- *The year that was:* This has been a transformative year marked by significant achievements and strategic advancements that highlight our commitment of driving value through innovative data analytics. The operating environment in FY24 presented both challenges and opportunities. We faced difficulties in winning large discretionary projects but saw substantial interest in Generative AI or Gen AI and Large Language Models or LLMs. Our partnership with Nvidia on the Generative AI tech stack and the launch of Marketing Analytics Centre of Excellence shall position us well for future growth.
- A significant highlight of the year was our announced acquisition of Decision Point Private Limited which brings deep valuable capabilities and revenue growth management and Generative AI based solutions. This acquisition is expected to drive significant growth in our consumer goods practice and expand our footprint in LATAM or Latin America, the United States and Europe. We are excited to welcome the Decision Point leadership and team to the LatentView family and look forward to together delivering best-in-class solutions to our clients.
- Moving forward our strategic focus remains on replicating our success in the US within European markets. Our expansion plans build on our organic growth and consider potential inorganic growth opportunities in data engineering, banking and financial services and insurance and retail. We are

also investing in R&D to innovate in supply chain analytics and on-shelf availability ensuring our clients can access the most advanced data driven solutions.

- *The world that is:* The data analytics industry is evolving rapidly with key trends such as Gen AI, data as a service, artificial intelligence and machine learning, predictive and prescriptive analytics and edge analytics driving growth and business value. At LatentView we are aligning our strategies with each of these trends ensuring that our clients benefit from the latest advancements and data analytics.
- People are curious about their future so are businesses, they wish to predict the future to be ready for it. The bottom line is that the growing significance of data analytics in driving business success cannot be overstated. Our work at LatentView is crucial in helping businesses transform data into actionable insights enabling them to optimize operations, enhanced customer experiences and achieve strategic growths.
- *The future that will be:* We are excited about the potential of these technologies. We will strive to make the most of these changes and remain steadfast in our commitment to help our customers to transform their businesses and stay relevant in their chosen markets. The integration of Decision Point is expected to accelerate the growth in our consumer goods practice, and we anticipate strong performance from our partnerships and new client acquisitions.
- We extend our heartfelt gratitude to our shareholders, clients, partners and our analysts and employees for their untiring support and trust. Your belief in our vision and commitment to excellence has been instrumental in our success. We are proud of what we achieve together and excited about the opportunities that lie ahead.
- Now I request Rajan Sethuraman, our CEO, and Rajan Venkatesan, our CFO, to make a brief presentation to our members on the performance of the Company during the financial year that ended on March 31, 2024.
- **Mr. Rajan Sethuraman**
- Welcome to everybody and good morning to all of you attending this AGM.

- I will take a few minutes to talk about some of the more important aspects of our strategy taking a cue from Venkat's opening remarks in terms of what has been the focus of the Company over the last year and what are we looking to do in the coming year, like capitalizing on the opportunities that are available in front of us.
- Hugo, if you can go to the next slide.
- I will be covering the growth strategy aspects; I will also touch upon a few case studies that illustrate some of the work especially in the new areas related to AI and Gen AI. And then I will hand it over to Raj to talk about the financial performance.
- So those of you who have been with us over the last two years since we went public would have already seen some of our strengths in terms of what are the most important pillars that we have which will drive our growth within the data analytics market. The data analytics space itself is a very exciting space - in some sense the pie itself is expanding and there are more and more opportunities that are getting surfaced not only by us but also several other organizations that are active in this space whether they are the large systems integrators, other pure play data analytics companies like us or even the back-office data analytics capabilities that many of the large organizations/multinationals have today. It is very interesting that in data analytics in particular as you dig deeper, you unearth even more opportunities in terms of what can be done by organizations. I will come back to this point in a minute.
- But specifically going back to our strategies for driving growth, you will recall that even as part of our IPO there were certain set of areas that we had identified, I will talk about all of them briefly today just to touch upon what is it that we have been doing in that space and where do we see more opportunity and traction.
- One very early area that we had identified was to look at the entire supply chain analytics space. In general, it has always been argued that supply chain and financials being very number, and data driven lend themselves easily to analytics. It is no wonder that supply chain continues to be a very important area of focus for most organizations. And this has been particularly exacerbated by the disruptions and challenges that organizations experienced during the pandemic. We see a lot of opportunity in this space right from

demand forecasting and inventory planning to helping organizations in the retail space and consumer space with on-shelf availability radars that Venkat alluded to. So, this is an area that we have been doubling down on and there will be more action in the coming quarters in this particular space.

- Second area that we had highlighted was our own evolution from being an execution partner to a thought partner and a consulting partner. This is something that again we have seen good traction on. Early in this year itself we have already won a few engagements where our consulting capabilities have been brought to the fore in terms of convincing the clients about the potential of analytics and the kind of initiatives that they can undertake to kickstart their journeys.
- Our third area that we believe holds even more potential in the coming years is data engineering. In the past when I am looking at say 10 years of history a lot of organizations focused more on the low hanging fruits so to speak, analytics initiatives that they could undertake within their own domain within their functional area, within their part of the business. A lot of that already has been accomplished and taken by most of the organizations so today the analytics initiatives that organizations are pursuing tend to be more complex, requiring data coming in from multiple parts of the enterprise, structured as well as unstructured data, and data also from outside the organizations. This calls for the abilities to bring all the data together into one data platform and harmonize them and take care of data governance, leverage, security and other aspects before the analytics can be done on it in order to identify insights and build models that will predict the future. So, data engineering is expected to be a very important part of any organization's analytics journey and we intend to capitalize on this as well.
- A fourth area that we had identified was to focus and double down on banking financial services and insurance as well as retail as sectors. Traditionally, we have built a very strong practice in the technology and the digital native space. Even today almost 70% of our revenues come from that space, but we see plenty of opportunities in other sectors including BFSI and retail where there can be a lot of impact that organizations like us can create. So, this is one area that we are doubling down on, and we will be spending more time and effort.
- Venkat talked about the expansion into Europe and APAC, we are happy to report that we have been making substantial investments in the last year in

terms of strengthening the capabilities that we have on that front whether it is client servicing or whether it is go-to-market in Europe. We have also been building capabilities that can support the kind of opportunities that emerge in Europe. I would say that it is still early days, and we are experimenting with different levers that we can focus on, we will obviously finetune some of these things as we go forward. But there are early encouraging signs that our efforts in the European market are starting to pay dividends. APAC in particular we are focusing on large Indian companies and multinationals that have operations in India. We are also focusing on the global capability centres have set up shop in India to capitalize on the data analytics opportunities and the talent base that is available. So, again we are tapping into these markets and the opportunities that are present.

- And finally, one big important aspect of our growth will be inorganic growth and acquisitions. Venkat already talked about the acquisition of Decision Point that we completed on the 1st of July this year. This is a very momentous and important aspect of our journey. We believe that this first acquisition will pave the way for many more inorganic opportunities that will come. Of course, we will focus the inorganic opportunities related to the strategic levers that you see on the slide and the intention would be to further strengthen on those areas whether it is consulting capabilities or data engineering or supply chain. So, the kind of opportunities that we are currently focused on pertain to those areas.
- Okay, let me now move forward to the next slide.
- To illustrate some of these things in a little bit more detail, I will touch upon a few points here. Supply chain in particular we are focusing on the partnership channel Databricks and Microsoft Fabric and creating industry solutions that these partners can take to their existing clients and prospects. This entire ConnectedView solution that we have been building which focuses on demand forecasting, inventory management and on-shelf availability is going to be an important area of focus as far as supply chain is concerned.
- On the consulting capability one big event for us was the launch of the marketing analytics horizontal capability. We have been doing a lot of work in the marketing analytics space over the last 18 years, in fact 30% of our revenue comes from that space. But we see an opportunity to double down further and then focus on some of the NextGen capabilities that organizations will require in order to drive their marketing return on investment. So, the

mandate here for the team that is doing this is to try and look at how many strong chief marketing officer relationships we can create in the next 12 to 18 months directly working with the CMO and their office in terms of helping them achieve marketing return on investment.

- Another consulting important focus area has been the addition of advisors who bring in domain expertise as well as plenty of exposure to solutions and value propositions that drive problems, solving of problems and creations of opportunities within those domains so this is something that we are focusing on at this time.
- On data engineering, again the partnership will be a very important aspect. I think I mentioned Databricks and Fabric, Databricks in particular will be a very important area of focus. We see a lot of traction for Databricks in the external market in our client conversations. We are building a couple of solutions related to migration and to data activation and we are already seeing a good deal of traction in the market. In fact, just earlier this day I received news that we have been elevated to the highest partnership tier possible within the Databricks ecosystem. So, this is a very promising area for us and we intend to double down on this in the coming quarters.
- We are also looking at further capability building in terms of expertise and certification because that will be an important thing to demonstrate to clients and prospects that we are capable of delivering on their data engineering challenges.
- If you go to the next slide, Hugo.
- BFSI and retail I think the main thing will be really about the kind of solutions that we focus on. BFSI for example there is a lot of traction in fraud analytics and in insurance analytics. Retail I talked about on-shelf availability; retail has been in fact a fairly challenged space right since the Covid days. And there are many problem statements and value propositions that we are having conversations with them to drive the action in that space.
- We are also looking to hire more senior people and domain experts that will further strengthen our own understanding of this space both on-site and offshore. This is an activity that's been underway and I expect that there will be a little bit more of that happening in the coming quarters.

- I already talked about Europe and the APAC presence in terms of what we are doing. One of the things that we did early this year was our very first event focused on the global capability centres and we saw a great deal of traction in the kind of clients and prospects that attended that event and there are already a few opportunities that we have seen where we can help our clients. This will be an area of focus and there will be some finetuning that we will do with respect to the Europe strategy. But the intent will be to try and find the specific areas where our capabilities can be of value to the clients and prospects that we are interacting with.
- Okay, let's move forward - I want to use this opportunity to also highlight a few case studies. I will talk about three of them.
- The first one is the work that we are doing for one of the largest search engines in the world, if you go to the next slide, Hugo, I apologize for the small font here, but these slides are available to you for reference as part of the annual report, and I would encourage you to go through them when you have the chance.
- This case study pertains to the work that we are doing with the world's leading search engine provider. Interestingly, they are actually inventing many of the new technologies and tools when it comes to LLMs and Gen AI, and we have been partnering with them using even precursors of these tools in applying them internally for driving their own business. So, this work really pertained to understanding a lot of information that they have on their brand and marketing centres to look at... they call it the 'Brand Nerve Centre'. And the intention was how do you analyze information that is available from their customer interactions, surveys, external information and all that, and make all of the insights available in a very web-based chat interface kind of a mechanism to all the people who need to make decisions on the back of these analytics and information. Some of the challenges included the very fragmented data base that they had across the different parts of data, and we had to bring a unified data model to bring it altogether so that we can apply the Large Language Models and Gen AI kind of capabilities on them. They also had dependency on too many people who had to analyze different parts of data, then bring it together and that meant onboarding new people who can do the analytics, also took a lot of time. So, our solution focused on using a lot of the LLM and Gen AI capabilities that they were already building for the external world and turning it inwards to

focus on their business. And we used a variety of capabilities, you know, such as AI powered automatic code generation, enhanced data access, eliminating numerous documents looking at interactive UI which makes use of the LLM kind of interface to understand the insights, a single sign-on mechanism to address access and security issues. So, many of these things came in handy in terms of this project. And the final impact is that we now have been able to democratize a lot of the data and analytics that they do using the LLM solutions and the Gen AI solutions and making it available in the hands of multiple people.

- I'll move on to the next case study, Hugo, if you move to the next slide.
- This is work that we have been doing for one of the largest ice-cream brands in the US. This opportunity was related to using internal and external data for powering their decisions related to what is the next flavor of ice-cream or the next kind of ingredient that they will introduce into the product, what kind of texture and flavor appeal to the audiences. Unfortunately, when they were doing all this work earlier, they were dependent only on a limited data set and that too information only available through focused group studies and interactions directly with customers. We were able to identify a very large amount of external data almost 20,000 plus data points that were available from customer reviews and comments and other things that people posted on social media and other channels. And we were able to analyze all of that data and using our smart innovation solution we were able to bring it altogether and apply the right kind of NLP and artificial intelligence techniques to identify what is trending, what are customers really looking for. For example, areas such as low-calorie options, smaller pack sizes in comparison to larger sizes that were available or new flavors such as fruit based flavors like fig for example, right. These are things that emerged on the back of this work. The positive impact for the client is that now they have launched new lines of ice-cream flavors, new pack sizes and this is helping them get their market position back within this industry. This space is exceptionally crowded with a lot of new players coming in into the market everyday with a very novel and innovating kind of products and services. And the work that we did helped the client move very quickly right from conceptualizing something into implementing it as a solution.
- I will move to the last case study. This is work that we have been doing for one of the largest manufacturers of printers and laptops and similar devices.

Here the opportunity was really related to how do you help the client provide much better service to all of their B2B clients who have bought either a laptop or a printer or any set of equipment from them. Most of these large organizations when they enter into enterprise transactions they will be buying thousands of printers and laptops and they need a better mechanism figuring out whether the printers and the laptops are working effectively and whether there is a possibility of a breakdown. Because any breakdown in this equipment can actually mean loss of revenue dollars. So, we have been able to help on this particular area by building a solution that can gather data from all the instrumentation that is already there in these devices, the laptops and the printers already contain a lot of instrumentation that measure a variety of parameters including temperature, including for example speed of execution, including how many times that part of the component is switched on or off and so on. And all of this data allows us to predict when a particular component within a printer or a laptop might fail and how can you avoid that failure or how can you be better prepared for that failure. So this is a solution that we built again using artificial intelligence and modelling. But we also created a GenAI based bot interface that was available for the users of the laptop and using which they can very quickly query, when they see a diminishing in the performance of the equipment, they can very quickly self-diagnose themselves in terms of what is going wrong, or/and either take the preventive action that will help the equipment in terms of being utilized better so that it does not fail, or alternately placing the orders for the right kind of parts that can ensure that there is a seamless transition right from the older part to the newer part. This has again helped improve the lifespan of these devices itself almost by one year in terms of from the time that the equipment is bought. Typically they will retire the laptop within the three years period, for example, but this helped increase the lifetime of that equipment thereby reducing costs for the clients and their spend on the IT and the IT infrastructure.

- So I just want to give you some examples of the work that we have been doing leveraging AI and GenAI. I will now transition to Rajan Venkatesan, our CFO, to talk about the financial performance of the Company. Over to you Raj.

- **Mr. Rajan Venkatesan**

- Thank you Rajan. Good morning shareholders, and welcome again. I'd like to begin by saying that some of the strategy, as well as focus areas that were outlined by Venkat to begin with and then followed by Rajan were exactly what we focused on in terms of the investments that we made through the course of last year, and that also translated into our revenues, our highest ever revenues that came in at about Rs. 641 crores for the year, which meant that we registered a growth of about 18.9% compared to the immediately preceding fiscal, with an EBITDA margin of about 21.2%. Venkat did allude to the fact that the macroeconomic environment remained challenging, and we did witness a slowdown in discretionary budget sign offs from some of our existing accounts, as well as new logo signing as well as the deal sizes were definitely a big challenge. We are immensely proud of the fact that despite the challenging macroeconomic environment, we were able to register a robust growth of about 18.9%.
- In terms of the EBITDA itself, I'd like to maybe spend a couple of minutes over here. Shareholders who have sort of remained with us over the last couple of years would definitely remember the commentary that we had in the previous fiscal where we said that we will continue to invest for growth, the macroeconomic environment notwithstanding and that's exactly what we did. A lot of the investments that we did in building our sales and marketing muscle, investing in business development as well as account management roles in the US, as well as expanding our footprint in Europe, meant that these were investments that we were making for the future, these were investments that were disproportionate to our current size and scale, and these were investments that were in line with what we had promised to our shareholders as part of the IPO roadshows also A lot of these investments also were back ended towards the end of FY23, and the full impact of these investments was visible in the year FY24 and which meant that the EBITDA for the full year came in at 21.2%, which was almost like a five percentage drop compared to the previous fiscal. But we are happy to sort of note that through the course of the year we were able to, on a sequential basis, improve our margins every quarter. And we ended the year with close to about 23% plus in EBITDA margins for the last quarter, which gives us a lot of, I would say, encouragement that as we are a business, that if we are able to scale our revenues, we have enough levers to improve profitability and margins will improve. So that gives us a lot of encouragement.

- In terms of the geographical split of revenues, while you don't see that on this particular slide, US continued to be our dominant geography, contributing close to about 95% of our overall revenues. Europe and APAC contributed the rest. Now, I know that we've been speaking about expanding our footprint in Europe and improving the share of Europe relative to the overall Company. I can assure you that through the course of the last year, we've continued to remain true to that promise. We've not sort of scaled back on our investments in Europe and it was again very promising to note that towards the end of last fiscal we had a few promising signings, especially in Europe, in the financial services as well as the consumer space. We had a few new logos that we signed on, which gives us the encouragement that we will be able to replicate some of that as we work through FY25.
- In terms of the vertical split of our revenues, technology continues to be the strongest vertical for us, contributing close to about 72.4% of our overall revenues, followed by industrial. This was at about 11%. And consumer and retail came in at about 8.1%. Financial services contributed close to about 8.7%. Now, again, in terms of focus areas, these are verticals that we have outlined which will continue to remain where we would want to focus on. Financial services, specifically, I'm very encouraged to point out that towards the end of last fiscal, while on a full year basis, financial services contributed close to about 8.7%. As we close the year, the contribution from financial services was closer to about 10%, which is an encouraging sign. Some of the clients that we have had in financial services have shown robust growth and have continued to expand their budgets as we move into FY25.
- In terms of our balance sheet, the cash balance was fairly robust and cash, excluding the IPO money as of the 31st March 2024 stood at close to about Rs. 11,30 odd crores. I'm also happy to update that post the fiscal year end, we were able to deliver on the promise of closing an acquisition. We concluded the acquisition of Decision Point where the total outflow for that particular acquisition was close to about Rs. 330 crores, which was to acquire a 70% equity in Decision Point. Now, this is a transaction that we are again very excited about because one, it adds capabilities in the consumer vertical which apart from being a focus vertical for -LatentView is also one of the verticals that has significant amount of spends and budgets for analytics initiatives and Decision Point adds to our current capabilities in the consumer space already. Rajan spoke about the case study where we had helped a large leading ice cream brand through one of the solution that we've developed on the

innovation side. Decision Point brings capabilities on revenue growth management, which is a very-very core and critical capability that any analytics companies need to serve consumer companies and so, we are immensely excited about the partnership and also the synergies that can be unlocked as a part of this acquisition.

- In terms of our headcount, headcount at the end of the year came in at about 1280 odd people, and through the course of the year we on boarded close to about 350 plus campus hires. That's another aspect that we would want to specifically highlight that despite the challenging macroeconomic environment, despite a muted demand scenario, and despite I would say, a fairly relaxed, or I would say from a supply standpoint, there was enough availability of talent. We did honour all the offers that we had made and we've on boarded all the campus hires to whom offers were made in the immediately preceding fiscal.
- With that, I would like to conclude my presentation and we would hand it back to the operator and Srini and we can open up for Q&A.
- **Mr. A. V. Venkataraman**
- Thank you Rajan. Thank you Raj. I now request Srinivasan, our Company secretary, to read out the resolutions proposed at this meeting and provide a summary of the Auditor's report.
- **Mr. P. Srinivasan**
- Sure. Thank you Venkat. We will now take up the resolutions as outlined in the Notice of the AGM.
 - Item number 1; Adoption of Audited Financial Statements including Audited Consolidated Financial Statements along with the Reports of the Board of Directors and Auditors thereon.
 - Item number 2; Reappointment of Ms. Pramadwati Jhandyala, (DIN-00732854), a director liable to retire by rotation.
 - Item number 3; Appointment of Price Waterhouse Chartered Accountants LLP as Statutory Auditors of the Company for a term of five consecutive years and to fix their remuneration.

- Since all the resolutions have been already put to vote through remote e-voting, there will not be any proposing or seconding of the resolutions and there will not be any voting by show of hands. The Statutory Auditors BSR and Co. LLP Chartered Accountants and the Secretarial Auditors M. Alagar & Associates Practicing Company Secretaries have expressed unqualified opinions in the respective Audit Reports for the financial year 2023-2024. There were no qualifications, observations or adverse remarks on the Financial Statements and matters which may have material impact on the functioning of the Company. Thank you.
- With this I hand it over to the Chairperson.
- **Mr. A. V. Venkatraman**
- Thank you, Srini. With this, the notice of the AGM and Report of the Auditors circulated to the shareholders are considered as read at the meeting. If any member desires to express their views or ask any question pertaining to any item proposed at this AGM, he or she may do so now in the Q&A box facility available on the video conference page.
- The registered speaker shareholders will be called upon to express their views and ask questions pertaining to any item proposed at this AGM. Members are requested to keep the questions brief and specific to avoid repetition. The answers to all the questions will be provided towards the end. The moderator will facilitate the question and answer session and with that I hand it over to the moderator.
- **Moderator**
- Thank you, sir. Dear shareholders, when your name is announced you will be sent a request to unmute your microphone. Kindly unmute your microphone, switch your camera on if you so desire and speak.
- Our first speaker shareholder is Dilip Kumar Das, Demat Account Number - 12019103-00660635. Mr. Das, could you kindly unmute your microphone and speak?
- **Mr. Dilip Kumar Das – Shareholder:**
- Can you hear me?

- **Moderator**
- Yes sir. We can hear and see you.
- **Mr. Dilip Kumar Das – Shareholder:**
- Thank you. Good morning Respected Chairperson sir, all other eminent Directors, officials and my online fellow shareholders who are connected with 18th Annual General Meeting of LatentView. Sir, today a wonderful video conferencing meeting organized by our Company which is very grand success. Myself Dilip Kumar Das, shareholder and executive member of Welfare Association of Small Shareholders participating this meeting from my residence at Calcutta. Sir, I have received so many annual reports from various companies along with our LatentView. There is no doubt sir this is the best of the lot. It is amazing. Sir, in our Company's annual report tagline is 'Actionable Insights Accurate Decision' which is appropriate to all 261 pages narrated in all the sections better. Sir, I also wholeheartedly support and accept this annual report.
- Sir, keeping in mind the above report, that some question is there. Sir, what is our brand rating in India and outside India? Sir, what is our roadmap for coming three years with CapEx projects? Sir, what is our key challenges after recent budget? Sir, I have full trust of our management team and supported all the resolution through e-voting and hope under your leadership this LatentView position will be in the sky. Sir, I am honoured that our Company Secretary have given a chance as a speaker in this meeting. Thanks to Company Secretary and your team for good investor service.
- Lastly, I wish you and whole team of LatentView family for good health and prosperity and seasonal greetings for coming festivals in advance. Sir, no other matter. Myself Dilip Kumar Das. Over to you for further proceedings.
Namaskar.
- **Mr. A. V. Venkatraman**
- Thank you Mr. Das. Thank you for your questions. We'll come back to you.

- **Moderator**

- Thank you, Mr. Das. Our next speaker shareholder is Mr. Manjit Singh, Demat Account number - IN30020610907641. Mr. Singh could you kindly unmute your microphone and speak?

- **Mr. Manjit Singh – Shareholder:**

- Am I audible?

- **Moderator**

- Yes sir, audible sir.

- **Mr. Manjit Singh – Shareholder:**

- *Company ke management team or secretarial team aur my co-shareholder, sabhi ka mein swagath kartha hoon. Yahan itne door se judkar aapse achha lag raha hain. Delhi mein monsoon saath-saath chal raha hain aur mausam achha hain. Umeed hain ki wahan bhi mausam achha hoga. Humari Company ke kareeb ek quarter beeth chukka hain. Usmein humara result ache rahe hain aur hum aapse umeed karthe hain ki aanewale teen quarter mein bhi Company isi tarah pragathi karegi aur result achhe ayenge humare. Isiliye hum aapse umeed karte hain.*
- *Mera Chairperson Sir se yahi jann na rahega ki yeh jo Statutory Auditor hain, BSR & Co LLP, yeh humare saath kitne time se jude hue hain? Kyonki jis kshetr mein hum karya karthe hain, jis samay meine apna investment shuru kiya tha, tab ek Sathyam ka ghotala hua tha. Toh yeh auditor aur jo Statutory Auditor ka inka routine change kya hain, yeh kitne year thak ek baar rehte hain? Kyonki inka change hona bhi zaroori hain. Kyonki jahan se hum hain waha par ek bohot bada ghotala Satyam Computer ka hua tha jo baadh mein Tech Mahindra mein jiske merger hua. Toh yeh Statutory Auditor aur Secretarial Auditor ka routine kya hain jaise yeh game Bharat ke purane thi Kho-Kho, ek khiladi dusre ko aake karte tha push aur woh utkar chal letha tha. Toh aisi kya position hain iss bare mein aap thoda batayenge toh achha rahega.*
- *Company Secretary P. Srinivasan sir se mera yeh jana hain ki iss quarter mein investor complaint kisi tarah ki aayi hain? Agar iss tarah ki koyi aayi investor complaint, toh humne uska samadhaan kiya hain yah woh investor complain humari pending hain?*

- *Revenue humare achha hain, reserve humare badh rahe hain. Sir, 2021 mein hum list hue the. Company kab thak iss kabil ban payegi ki dividend dhene lage? Thoda iss bare mein bathaye ki dividend track par humari Company kab thak aayegi? Jab dividend par ayegi toh yeh jo all time humara high hain, Rs. 754 ka aur hum zaroor usko badenge usse bhi aage agar hum dividend policy pe challenge. Company humari nayi hain, Promoter holding humari kareeb 65% hain. Toh aane wale time mein, kya hum koyi buy-back ka aapse umeed rakhe. Iss bare mein nayi companiyon ki kya position hain? Kitne time baadh woh jo hain buy back karne ki position mein aa paati hain? Humari Company BSE mein listed hain, 543398 jo hain humare code hain, aur symbol LatentView hain. Investor aapki Company mein invest kartha hain aur ek rupai ki face value hain. Toh iska joh hain aap zyada behtar dang se aap Company ko chalaye thaaki jo hain investor ka vishwas bana rahe. Aur yeh sir, jo hain total expense jo hain humare, uske andhar 20% ka ijafa kis tarah se hua hain? Yeh kya wajah rahi ki humare expenses bade hain 20% ka utne ijafa hua hain? 20% jo hain kharcha aapne pehle se zyada iss varsh mein kara hain. Aur sir, ek chinta ka vishay yeh bhi hain, ki humara EPS ghata hain, earnings per share ghata hain. To iss saal kis tarah ki hum karya kar rahe ki EPS mein hum wapsi kar sake?*
- *Aur aapki secretarial department ne itni mehnat kari hain moderator ne jo hum aap se jud paaye hain. Unhone parivar ki tarah liya hain aur iss cheez ko ek upchari tarah nibhakar ek aim ki tarah liya hai aur unki koshish yeh rahi hain ki hum aapse jude. Unka hum dhanyavad karna chahthe hain. Baaki yehi kehna chahenge aapse ki kis tarah aap karya kar rahe hain, haste muskurate hua aap iss AGM mein brief kar rahe hai shareholderon ko bhi apne staff ko bhi. Aanewale time mein bhagwan ke aage yehi ardaaz rahe gi ki humari Company din duguni, raath chauguni tarakki kare. Thank you for the management team, thank you for the secretarial team. Baak sir, yeh EPS ka dhyan dhena aur yeh secretarial auditor jo hain, dusre auditor unka kya routine change hain , kitne time baadh woh change hote hain, iss baare mein aap apna jawab, yeh taaron se hum aapse jude hue hain. Agar aap iska jawab mail par bhi upalabdh karayengi, mail par bhejenge toh zyada achha hain. Kyunki yeh 9 aur 10 ka time hain. Yeh kissi ne agar jana ho yaha Delhi mein, toh traffic heavy hain. Shayad mein aapse jawab na sun pau. Toh aap agar mail par bhi provide kar payenge toh mujhe achha lagega. Thank you sir.*
- **Mr. A. V. Venkatraman**
- *Shukriya Manjit Singh ji. Aapke sabhi sawalon ka jawab mil jayenge end pe.*

- **Moderator**
- Our next shareholder speaker is Priyank Jayesh Kothari, Demat Number IN30021417759166. Mr. Kothari, could you kindly unmute your microphone and speak?
- **Mr. Priyank Jayesh Kothari – Shareholder:**
- Hello?
- **Moderator**
- Yes, we can hear and see you.
- **Mr. Priyank Jayesh Kothari – Shareholder:**
- Okay. Very good morning to the management, to Mr. Venkat, to Mr. Sethuraman and to the CFO and the other members. Sir, your presentation and the Chairperson's speech was excellent. I guess a lot of questions were already answered in your presentation. Sir even your report has been very elaborative. But being a non tech background, it becomes difficult for us to really get it to understand as an investor that how do we look at it. So I have few questions which I've already mailed to the secretarial department. But I will just read them down for the benefit of the other members.
- Sir, the Company's report, the CEO's speech in the annual report is fantastic and it's quite elaborative. However, to us as an investor, can you just give us four to five major themes that we are broadly focusing in next five years which can help us as an investor to keep a gauge on our progress and effectively observe what is happening in our Company? Sir on the competitive position, could you provide an overview of the competitive landscape in our industry and who are our main competitors and how do we compare ourselves with them? Sir, is it an industry where the leader takes all or is there a room for multiple capable players to thrive along? Sir, in terms of customer selection, I want to understand how do customers typically decide which data analytics Company to choose during their due diligence process? And how do we as a Company acquire and retain the business from customers? And what factors could also lead to losing a customer from our ends?

- Sir, in terms of revenue and cash flow, I want to understand could you explain the nature of our revenue streams and what constitutes sustainable revenue and operating cash flows? And under what circumstances could the Company experience losses given that we haven't recorded losses in recent years? Additionally, could you break down our fixed and variable cost for us to understand, get a better picture on it? Sir, the CFO has given some kind of an understanding. Still I would like to ask this question. Since our Company has got listed, we have observed that our ROCs, ROEs and margins have been declining. And I clearly understand that there is an ongoing investment that is happening in our business. Sir, but still from his presentation also I could not yet get an understanding that what efforts are we making to get these ROCs or margins to come back to the normal level? Can we expect to see any improvement? Or has the business model evolved in a way that makes it more challenging to achieve this kind of earlier targets that we were enjoying in our past?
- Sir, I came across a news article, I think Fractal is reported to come up with an IPO and I also read the article that they have demonstrated a high growth rates in last couple of years. Sir when I compared, I understand that we both are competitors but I mean we had a low growth area and they were in some good growth. So can you just talk about that both the companies are operating a similar opportunity and what are the challenges that we face and what can we do to overcome these challenges? And, are we missing something in our strategy or is our approach different; what is the perspective on this? If you can give me some picture, will give me some more clarity. And on the last part sir, given that we have achieved around 19% revenue growth even during the challenges is really commendable. But as an investor, our expectations are always high and so when our conditions become normal, can we expect to go back to 30-35% of growth rate which was generally an optimistic growth rate for LatentView? Can we as a shareholder expect it to come back in future?
- Sir, that's all from my side and I would like to thank the secretarial department, Ms. Chetana and Mr. Srinivasan for really helping me out for putting across the questions and also arranging this VC meeting. Thanks a lot sir. I would really appreciate it if you can answer all the questions. Thank you very much.

- **Mr. A. V. Venkatraman**
- Thank you Mr. Kothari, thanks for your questions and we will certainly give you the responses that you are looking for.
- **Moderator**
- Our next speaker shareholder is Mr. Jaydeep Bakshi, Demat Account Number - IN 30154936-203908. Mr. Bakshi, we can see you. Could you kindly unmute your microphone and speak?
- **Mr. Jaydeep Bakshi – Shareholder:**
- Yes. Very Good Morning Chairperson, MD, CFO and other Key Managerial Persons. Myself Jaydeep Bakshi connecting from the city of Kolkata and also, thanks to our moderator for keeping in constant touch and managing this video conference in a smooth manner and also convey my thanks to our Company secretary, Mr. Srinivasan for giving an opportunity and to the secretarial department for keeping in touch and presenting a detailed annual report which is informative with also the case studies which helps us to get an instant view of our different aspects of our Company.
- Sir, the initial speeches and the presentation were really great. You shared the thoughts about our Company of the present and the future also. Sir, regarding the revenue from operations on year-on-year basis, we have improved with the geographical wise breakup mentioned in page 246. Sir, any thoughts of increasing revenue from the underperformed areas and also enabling companies to predict the new revenue streams understanding with the data backing provided by the Companies? Sir, data analytic is the present day scenario for smooth supply chain and management in every industry. Sir, what are the steps we're taking to improve the customer retention rate as we are the trusted partner to serve Fortune 500 Companies? Sir, what are our thoughts on further new investment decisions? Sir we are supporting different verticals like the retail, the technology, the banking, the travel and the hospitality. Sir, any new area of addition and better value added service are we thinking of?
- Sir, congrats for the rewards and the recognition we have received and also the good foreign exchange earnings also. And sir, regarding the recovery of outstanding loans mentioned in 234, kindly share some thoughts and other

expenses also, high compared to year-on-year basis. Sir, how are we helping out to the MSME or the start-ups because they are becoming the backbone of our nation? And what is our talent retention policy? And, any risk factors do we oversee and how we plan to overcome them? Kindly share some thoughts regarding these. And most important sir, this cyber security and data protection, this is really a cause of concern. What is our thoughts regarding this data protection.

- Nothing to add more. I supported all the resolutions and hope under your leadership and support of all involved, continue to transform business to excel in the digital world through the power of data analytics, resolution and return on the dividend paying part. Thank you, sir. And continue with this VC so that we can continue attending these AGMs further in future years. Thank you sir. *Namaskar*.
- **Mr. A. V. Venkatraman – Executive Chairperson, Latent View Analytics Limited:**
- Thank you, Mr. Bakshi. Thank you for your support and your questions.
- **Moderator:**
- Our next speaker shareholder is Shashi Jain, Demat Account Number - 1208160065039382.
- **Mr. Shashi Jain – Shareholder:**
- I'm audible?
- **Moderator**
- Yes sir, you're audible. Please go ahead.
- **Mr. Shashi Jain – Shareholder:**
- I'm Shashi Jain shareholder of the Company, join the AGM from Delhi. First of all, I thank our Company secretary and his entire team to help me to join the AGM on VC portal, to express my view in front of the management. Sir, my question is regarding to declaration of dividend since the listing of the shares. Sir, as per the annual report dividend declared regarding in line with the policy of and considering doing the requirement to fund the growth

prospect of the Company both organic and inorganic. Your Directors have not recommended any dividend for the financial year 2023-2024. Sir when the management is not grow the Company from the IPO fund so how can we know the Company grow with the dividend share fund of the small investor? The management is not good faith of the small investors, sir. Kindly think about the small investors and their hard earned money they will invest in the IPO, sir. Sir, our listing price is around 700. Again our Company is not touch that target because the management had not a single penny given to the shareholders after a 600 crore issue. So, kindly consider for the benefit of the shareholders as a dividend or as a bonus. And no other query. And also, tell us about the roadmap of two years and the order book of the Company, sir. Thank you.

- **Mr. A.V. Venkatraman**

- Thank you, Mr. Jain. Thank you for your question.

- **Moderator**

- Our next shareholder, Swechha Jain, has not logged in for this AGM. So, with that, all shareholders who did register to speak and did log in have been given an opportunity to express themselves. And I hand the proceedings back to our executive Chairperson, Mr. Venkatraman. Over to you, sir.

- **Mr. A.V. Venkatraman**

- Thank you. I request Rajan Sethuraman, our CEO, to respond to some of the questions that the shareholders have raised. Rajan, do you have some of these questions or would you need a prompt of any kind?

- **Mr. Rajan Sethuraman**

- Yeah, I have some of the questions, though I am afraid that I may not have captured all of them because my laptop crashed. So I will endeavour to address the ones that I have in front of me. If anything is left out, we can always get back using email if time doesn't permit today, or we can respond on a prompt.

- So, I'm going to go first with the set of questions that were sent in to Srinivasan by Mr. Priyank Kothari. So key themes for non-tech investors. I did talk about some of them as part of the presentation itself in terms of the strategic areas for focus. If you were to ask me today what are the things that I

am particularly focusing on, it's really around three areas. One is to continue expanding our consulting capabilities. I believe that in the coming years it will become super important to be not just an execution partner, but a thought partner and a consulting partner. And that can happen only if we have a very firm grip on what are the problems and the opportunities that our clients are grappling with, given the trends that are playing out in their context. And we should fashion the right type of solutions and value propositions that address them. And that is really what we are doing from a consulting capability standpoint. This is not just the consulting horizontal that we have set up, but in general, in terms of all the expertise, domain expertise and solutions that we are building, we will all be razor focused on how do we make sure that we are going to have conversations with particular solutions rather than just skill competencies and capabilities. So, I think that will be a very important key theme.

- Second is the data engineering play that I talked about. I think analytics will become more complicated and complex than it is today. And it will mean that we'll have to bring together data from many different parts of the enterprise. So data engineering capabilities and therefore the endeavours that we are making on building stronger partnerships with the like of Databricks, will be a very important theme in terms of how we will evolve.
- Third area would really be around doubling down on particular industry domain expertise. This kind of talks to the consulting capability point as well. But I think, for us to be very relevant, we need to come up with industry solutions, because industry solutions are what will also help us on the partnership front. So, there are a few things that we are doubling down on. Of course, needless to say, there'll be a thread of AI predictive analytics and GenAI and the latest tools and capabilities that will become important. So, we have to constantly keep reinventing ourselves in terms of what skills and competencies will help us build these types of capabilities.
- Secondly, on the competition and market positioning, this is a space where there are many different players. We see competition from the large systems integration firms like an Accenture or a Capgemini or an Infy, for example. We also see other pure play data analytics companies like Fractal that was mentioned in a different question, or Tiger and Quantiphi. We also see competition from strategy consulting firms, the likes of McKinsey, BCG, Bain, and so on. And finally, there are niche product companies that have built

particular solutions. I don't think the space is such that it's a winner-take-all type of a scenario. There is enough room and opportunity for all of us to grow and bring in very specific type of solutions from our own unique vantage points. Our vantage point is that we are laser-sharp, focused on just data and analytics, and we are not encumbered by any of the other things that might be happening within the IT services space.

- Secondly, a lot of the skill sets and the domain understanding and the capabilities, especially on the technical and the math algorithmic side, they all come from the fact that we have been working with the inventors of these tools and technologies for several years. So, we work with all the top companies that are leading the race in terms of GenAI and artificial intelligence and new tooling and technology that helps power analytics. And since we are learning from them and we are helping them implement these very same technologies within their own businesses and context, we are in a position to take it and apply it in many of the other domains that we are targeting, like a retail or a BFSI. So I believe that our competitive advantage is fairly clear within the space. We all seek to expand the pie as well. That is the point I made earlier. It is not a limited space or a zero-sum game that we have to gain market share at somebody else's expense. In general, my philosophy and thinking is, that most organizations are just scratching the surface when it comes to data analytics. And the entire space and industry will grow manifold. So therefore, there is enough opportunity for all of us.
- Typically, when it comes to customers selecting, they look at whether organizations have done work within their domain and space. That is becoming important. What is also important that there are industry-specific solutions and value propositions that they bring to the table. These are important criteria. I think our competitive advantage of learning from the masters on tooling and the technology is also proving very beneficial when it comes to why customers choose to work with us rather than somebody else. And last but not the least, and probably the most important, is the relationship that you have with these clients. In a lot of instances for us, at least in the case of technology and digital native clients, the clients have taken us with them whenever they have transitioned from one role to another or from one Company to another. And the referral and the relationship mechanism are a very important aspect as well. I think in the coming years, as data engineering becomes important, probably larger initiatives will be driven through an RFP kind of a route and a mechanism. So, we need to strengthen

relationships also on the Chief Information Officer, the Chief Technology Officer side. And that is something that we are working on as part of building out our data engineering practice.

- On Fractal's growth and our challenges, I think each of the organizations has a different kind of a strategy and approach when it comes to their own growth journey. And growth always is also tied to profitability in some sense. We need to look at what areas are there and what adjacencies are there and how you grow the wheelhouse. We have been sharply focused on the data analytics space, and analytics in particular related to the diagnostic descriptive as well as the predictive prescriptive variety. In this space, there is also a lot of onsite-only opportunities and work for the taking. We have shied away from those type of opportunities because it leads to a high-cost kind of a structure and setup. We have looked at opportunities that are more leveraged where we can also bring in our offshore capability and the play there. It's also a question of how many people you have at the front end, how much you are spending on events and marketing, and what does it give you in terms of return? Our principle and philosophy have been to work with a smaller number of customers, but penetrate them more deep into the opportunities that are available. And, that means that we will have a certain kind of a growth and profitability trajectory in comparison to what a Fractal or a different organization might be doing.
- Having said that, we just recently concluded a competitor intelligence exercise where we looked at all the different growth levers that are available and how different organizations are acting on them and what can we learn from them, which allows us to meet our growth and profitability targets, while also addressing the opportunities that might be available in the market. So therefore, there'll be more deliberation and thinking on this in the coming months. Some of the measures that we are taking in terms of strengthening our partnership ecosystem, also looking at bringing more leadership bandwidth on the data engineering front, adding domain expertise in retail and BFSI, for example, as examples, these are areas that have emerged, and which have been validated by the competitor intelligence exercise as well. So therefore, we will continue to double down on that.
- I will pause here. My throat is a little bad today. Raj, maybe you can address some of the questions and I'll regain my voice.

- **Mr. Rajan Venkatesan**

- Sure, Rajan. You were going through Priyank's questions, right? I think one of the other questions that Priyank had was to understand if there are circumstances in which we as a Company could incur losses. One of the things that we are immensely, I would say, proud of is, right through the course of the 18 years that we've been in existence, we've never had losses, right? It's also a testimony to the fact that sort of clients that we work with and the markets that we are present in terms of the analytics maturity of some of the companies that we work with also, the value that they're willing to pay for the work that we do, automatically ensures that profitability has never been a concern. Although we don't publish gross margins as a metric, our own internal benchmarks when it comes to taking on new projects or new work, is typically to sort of operate at least above 50% gross margins on projects, which then means that we have sufficient buffer and cushion to then focus on investment that we would like to do in the sales and marketing as well as some of the other corporate enablement functions. In that sense, today, if you look at the current business model, it's fairly remote that we would incur losses Therefore, that concern doesn't exist as of today.
- There was another question for what would be if you look at our cost structure, what is the cost versus variable cost? I did very briefly mention the fact that our gross margins are a little shade over 50%. So, most of the cost that goes into the delivery of work that we sign up for, is in the nature of variable work, or you can call it almost semi-variable. But it's largely driven by or linear to the revenues that we book. And, you will see that over the years that our payroll cost, while it has increased at a rate which is higher than the increase in revenues, especially over the last year, that is largely due to the fact that we have invested disproportionately in sales and marketing, as I had outlined in during my speech earlier. So, the sales and marketing is what would be, I would say, the incremental or, sort of, the investments that we are doing. The delivery costs are largely fixed. Most of the other costs would be semi-fixed in nature or would be fixed up to a certain point in time beyond which there would be an increase based on either an increase in our headcount or increase in the geographies that we are present in or just increase in the size and scale of the revenues.
- In terms of the efforts to shore up our ROC and ROCE which has witnessed a declining trend, especially post the IPO, this is a common question from a few

other shareholders as well. I would actually want to break this question down into maybe two parts. Yes, you are right. The ROC, if you look at it at a wholistic level, has come down. It used to be in the mid-20s and early 20s before the IPO and at this point in time close to about 15% odd for the last fiscal. But you also have to bear in mind that when we raised capital during the IPO, this was money that we had raised for one, future growth and two, also taking advantage or capitalizing on any opportunities that present itself from an inorganic standpoint. And some of these opportunities could be transformational large-sized deals that could take up significant amounts of capital. And so, it was with that intent that we raised capital during our IPO.

- Now if you just want to do a simple math of excluding the amount of money that went into the Company during the IPO, this is money that came into the Company as primary capital, if you were to just exclude that cash which, in some sense, is like excess cash that we are carrying, the adjusted ROC for the business is in excess of 20%. In fact, it's closer to about 22% for the last fiscal, which just goes on to show that as a business, at a core operating level, we have continued to remain very profitable and have sort of churned out a good ROC. The capital that we raised during the IPO is essentially to set us up for future growth and there we are looking at a fairly long runway. If you read our Annual Report one of the things that we do talk about this is a marathon that we are running; we are not running a sprint over here. And so the capital that we've raised again is also to set us up for a marathon and to sort of help us in the long run. So it's with that intent or with that lens that you should look at our ROC. Of course, at any point in time if we do realize that we don't have enough avenues to either deploy the capital, this is for organic or inorganic, we will be more than happy to sort of return it back to the shareholders in the form of dividend or initiating a buyback. But at this point in time, we don't believe that situation has occurred, and therefore, we continue to remain very bullish about the opportunities that are in front of us. Rajan spoke about some of the inorganic opportunities that are existing in BFSI and data engineering space specifically. And so we are committed to deploying the excess capital that is there on our balance sheet meaningfully towards some of these opportunities.
- The one other question that I think Mr. Manjit Singh had which was around the rotation of the auditors, B S R & Co., I would like to highlight, and in fact I would like to extend my heartfelt thanks and gratitude to the team at B S R who have been with us for a period of about 10 plus years. In fact, this is their

10th year, and based on the current regulation that exists, they are liable to sort of rotate out. And interestingly, we do have the auditors who will be our incoming auditors. From Price Waterhouse, we have Arun, the partner from Price Waterhouse who is also there on this call. So this is just a regulation, and purely because of Regulation that BSR is moving out and PwC is coming in. But very well made point that, a change of guard is also important right, because as we sort of traverse from this journey where we are right now at about 600 plus crores and we are looking to get about you know 200 million dollars in revenue over the next 3 years, we will need partners and we will need new partners who will come in with fresh thoughts. And with that sort of outlook we welcome Price Waterhouse as they will be our Auditors for the next 5 years.

- The other question that we had was... just give me one second.
- **Mr. Rajan Sethuraman**
- So Raj, I can take a few while you are looking at it, so that I address that. There was a question on revenue growth under favourable conditions, and I think that's an important point. It's good that some of the shareholders have recognized that the last 18 months have been particularly challenging, not just for us, for the entire global economy. In fact, the competitive intelligence exercise that we conducted, it showed that in the last year, we outperformed many of the other pure play data analytics companies in terms of our growth rate in comparison to historical versus their historical growth rate versus how they perform. Meaning that we were able to come up a bit. But having said that, I think definitely that concern is there. I just got back, in fact, from a trip to the United States where I met with almost 25-30 different clients and prospects. There is a returning sense of optimism, but of course, there is still quite a bit of caution. I think we are well placed, because we have done a bunch of investments during this period, lean period, so that we can capitalize on the opportunity when the growth returns to the normal. And that is the reason you also see that the margin uplift has been a little muted in comparison to what we would have aspired for. But we should be easily back on the 25% plus kind of a growth trajectory in comparison to the 18-19% that we did last year, should the favourable circumstance return. In fact, it can be even higher than that if some of the initiatives that we, have fall in place.
- Particular initiatives again, that I will call out that will lead to that acceleration, will be around data engineering, will be around the consulting

skills and capabilities, will be around some of the GenAI solutions that we have built like LASER and AI Penpal and BeagleGPT, that Decision Point brings to the table. There is a lot of traction on this. At this point in time, almost 20% of conversations and pipeline opportunities are related to GenAI. Today while clients are spending on them on a pilot POC kind of a model, many of them have already started talking about productionalizing them. So, this is something that will pick up... that will contribute in terms of growth lever in the coming years.

- I think there was a question on a talent retention policy as well by Mr. Jaideep Bakshi. This is an area that we are super focused on. Raj, in fact, talked about how we have onboarded all of the campus hires and offers that we had made last year in spite of challenging situation, mainly because of two reasons. One is that we were able to grow at 18-19%. And secondly, we were also able to keep many of them engaged during that period, even before they became an employee of LatentView waiting on the wings. In general, we have a very strong boot camp and talent engagement policy for people coming in at campus entry level, and there are ongoing L&D programs for ensuring that we are building the capabilities of people who continue with us over the years. In addition to that we have institutionalized several rewards and recognition programs like the Spirit of LatentView Award, the Rising Star Award, like the Encore Award, for example, that call out exceptional performance by individuals as well as teams, so that we are able to not only just recognize and reward them, but also identify talent that can actually occupy leadership positions for us in the coming years. As a growing Company there will be many opportunities that arise, and our intent would be to try and fill as many of those roles and opportunities with internal talent as possible. So, this is something that we will focus on. We also kicked off a compensation philosophy review exercise. And while we have been using benchmarks over the last few years to ensure that our compensation is on par, if not better, in terms of comparative basket set, we are actually also looking at a complete philosophy review so that we are not only able to meet expectations from a fixed and base salary perspective, but also have the right kind of short-term and long-term incentive mechanisms in place to ensure retention of our high performing talent. So, this is something on which we will be able to share more in the coming quarters as part of the investor presentations. But needless to say, talent is the most important aspect that we bring to the business and to the table, and this will continue to remain a very important focus for us in the coming quarters as well.

- Raj, let me turn over to you if you have any other questions that you want to address.
- **Mr. Rajan Venkatesan**
- No, so I mean there are a few other questions. Rajan, do you want to also take this question on cyber, because I think that was one of the questions that came up in terms of the steps that we are taking on cyber security and data protection.
- **Mr. Rajan Sethuraman**
- Right, yeah, thanks for pointing it out. I think that's an important area. I mean, given that we mostly work... I mean, we work with data all the time and we want to ensure that we are putting in all the kinds of mechanisms in place that addresses all the data security, privacy concerns that our clients have, and also our own internal data, whether it is employee data, whether it is information that we have on our financials and so on. So, our CIO and IT team have been really stepping up on that in the last 12-18 months. We were already having fairly strong, robust mechanisms in place even before we went public. But in light of being a Public Company, we also looked at any additional compliance statutory requirements that are there, and also benchmarked ourselves with what other organizations are doing in this space. And we have put in the right kind of capabilities to ensure that not only are we alerted to any possibilities of challenges and issues coming up, but we also are preventing them from happening in the first place itself. So there is a bunch of investment that has gone into these in terms of having the right kind of tooling and technology that alerts us to that, that monitors the controls and mechanisms that we have in place, so that we are always ahead of the curve when it comes to cybersecurity.
- The other important point to call out here is, that we don't bring any of the client data into our systems. All the work that we do with our client data happens on the client's cloud and their servers and their premises. We only do remote logins and there is no instance where we bring client data into our systems to do any of the analytics that we do. Therefore, that aspect itself addresses a fairly big chunk of the cybersecurity and data privacy concerns that we have. On top of that, we have implemented all the other mechanisms that I talked about, and this is something that will be an ongoing aspect in our business. Cybersecurity risk is identified as a very important area of focus as

part of our risk management policy as well. And, this is something that we will continue to double down on based on what we see in the external environment, what new tooling and technology are emerging, and what our peers and others are doing right in this space.

- **Mr. Rajan Venkatesan**

- Rajan, I'll actually take a few of the other questions. I think there was one specific question on how are we helping MSME and startups? At this point in time, while there is no specific policy or I would say internal guideline to work with MSMEs or have an incubation fund, for instance, that will support startups, I think the way we help MSMEs is, within our supply chain as well as some of the vendors that we work with, we do ensure of course... while it is regulation, we do ensure that they are paid much ahead of the credit period that we have with them. So, in terms of just getting their payments on time, that's number one priority. We don't wait until the credit term for some of these vendors... comes to the end of the credit term.
- As far as startups are concerned, I would say, while today we don't have a separate or earmarked fund to invest in startups, it is something that we are actively considering. We are also, as part of our inorganic growth strategy, looking at investing into companies which could potentially be subscale, could be less than \$5 million, but have interesting capabilities or use cases that have seen some level of monetization or some promise. So, we could potentially look at companies like that as well. So, that would be my response to that.
- I think there was another question specifically on the number of investor complaints received during the last quarter. We are very happy to note that the total number of investor complaints received during the last quarter were actually nil. Although we have received several investor queries, none of those were in the nature of investor complaints. So, we are very happy to report that.
- There was another specific question on increase in expense by 20% and also a drop in the EPS compared to the previous fiscal and I actually break that down into two different parts. Yes, the increase in expense was at a rate which was significantly faster or higher than the increase in revenue which came in at about 18.5% plus. This was, in part, driven by the fact that we, one, increased the level of investments in sales and marketing, specifically in

hiring sales and business development executives in US and Europe, which are our focus markets. Incrementally, we also ramped up the spends on marketing initiatives. This could be spends on running marketing events, running LinkedIn campaigns, could be expenses that we've incurred on creating thought leadership articles that we were able to publish then. In all of fronts, we have increased the level of investment that we are making. So, the marketing spend for last year had grown by close to about 30% plus in comparison to the previous year. And the sales and marketing expenses at a higher level meant that our expenses grew at a rate faster than the revenue growth.

- Also I would like to highlight, that during the last year when we concluded our first acquisition. So, the advisory and the professional fees in relation to the acquisition that we did, were recognized and recorded in the previous fiscal. And that, in some sense if you compare it to the previous fiscal where we didn't have that level of expenditure, that also led to a jump in the overall expenses.
- As far as our EPS is concerned, while a drop in the EBITDA margin due to the increased S&M spends, I've already spoken about it. The other aspect that played out last year was, we have two units which fall under a Special Economic Zone in Chennai where we operate largely from. The first major unit which housed 800 plus people, the SEZ benefits or the direct tax benefits for that particular unit expired in the year FY23 itself. So, FY24 had some level of residual benefit only for the smaller unit, which had only close to around 200 people. So obviously, from a taxation standpoint, this meant that the amount of tax benefit that was available to the organization went down. So that was another big reason. The one other aspect I would like to highlight, apart from increased spends on sales and marketing, we have invested in a fairly large capability as well as solution building team. So, we have close to 65 plus people, and these are people who work in, what we call, centres of excellence, building out solutions that we can take to market. Most of these folks in the last year were in unbilled roles. Which means that, they were not directly working in executing projects, but in fact, were building solutions that we can take to market. So, this increased level of spend on the solution building team also meant that our profits came in at a lower level compared to the previous year.

- **Mr. A.V. Venkatraman –**

- I think we have addressed most of the questions, Raj and Rajan. Thank you for taking the time to address each of those questions individually, and I'm glad we had a nice conversation around all issues which are relevant to this meeting.
- Meanwhile, thanks to all participants for the meeting. The members who have not already cast their vote by means of remote e-voting, may do so now through e-voting which will be available for the next 30 minutes. Mr. Rajiblochan Sarangi, Practicing Company Secretary has been appointed as the Scrutiniser to report on the combined voting results of remote e-voting and the venue e-voting. The results will be declared and submitted to the stock exchanges within two working days from the conclusion of this meeting, and disseminated on the Company's website, along with the Scrutiniser's Report. I authorise the Company Secretary to do the needful. Resolutions, as set forth in the notice, shall be deemed to be passed today, subject to the receipt of requisite number of votes.
- With this, the AGM concludes. I am grateful to all the members and to our board for directors who have taken the time to attend this meeting. With your permission, I hereby declare the proceedings closed. Thank you very much.
- ***END OF MEETING/ E-VOTING WAS OPEN TILL 11:00 AM IST***