Latent View Analytics (LATVIE)

CMP: ₹203 | Target: ₹240 (18%) | Target Period: 12 months | BUY

November 2, 2026

Execution remains key for H2 recovery...

About the stock: Latent View Analytics (Latent View) is a leading pure-play data analytics services company in India. It provides expertise on the entire value chain of data analytics.

Q2FY27 performance: Revenue at ₹294.1 crore (US$30.9 mn), up 2.5% QoQ/14.2% YoY (up 2.0% QoQ/4.5% YoY in US$ terms). EBITDA margin came at 20.3%, up ~60 bps QoQ/ down ~150 bps YoY. PAT stood at ₹48.5 crore, up 2.9% QoQ/6% YoY.

Investment Rationale:

- **Revenue visibility improves, while medium-term targets require execution: Management highlighted FY27 revenue visibility of US$127mn, implying over 6% growth from US$119.5mn in FY26**. Around US$125mn is already signed or logged, with US$2mn dependent on pipeline conversion. **Based on current visibility, Q3 revenue is expected to grow 3–4% QoQ. Moreover, the US$200mn revenue ambition has been deferred by nine months to end-CY28.** Account mining, larger multi-year deals, Europe expansion and healthcare/life sciences (targeted at 10% of revenue) are key levers, but execution remains critical. **For FY27, management expects 45–46% growth in Financial Services, 60–65% in Industrials, flattish CPG & Retail and a 5% decline in Technology (55% of mix). We have baked in ₹ revenue CAGR of 13.1% over FY26-28E.**

- **Margin resilience supported by cost actions though investments cap expansion:** EBITDA margin came at 20.3%, up ~60 bps QoQ/ down ~150 bps YoY reflecting India (8–10%) and US (4–5%) wage hikes (~1–1.2% impact) and 100 bps lower utilisation at 84% while delayed project ramp-ups added ~40 bps pressure. Lower SG&A and COE costs partly offset this. **Management targets 21–22% EBITDA margin in the medium term,** balancing recovery with continued AI and capability investments. **We have baked in EBITDA margins of 20.8%/21.6% in FY27E/FY28E.**

- **AI-led solutions create opportunities to move up the value chain:** LatentView is scaling data-for-AI, Agentic AI and industry-specific solutions. **Databricks-related revenue, including solutions built on its platform, is expected to exceed US$30mn in FY27, vs the earlier US$17mn reference, while 153 employees have completed Anthropic Claude certifications.** A proposed Chief Technology & AI Officer function will consolidate reusable IP, AI Studio, partnerships, talent upskilling and building a FDE practice.

Rating and Target Price: We maintain our BUY rating with a target price of ₹240, albeit based on a lower multiple of 20x FY28E EPS (vs 26x earlier), factoring in a lower-than-expected growth trajectory and near-term softness in technology vertical (55% of mix).

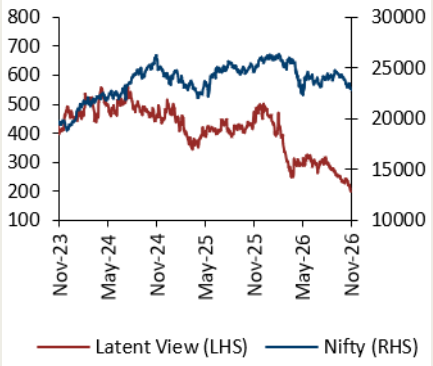
Particulars

Particulars	₹ crore
Market Cap (₹ Crore)	4,383
Total Debt (₹ Crore)	33
Cash & Invests (₹ Crore)	651
EV (₹ Crore)	3,765
52 week H/L	517/183
Equity capital (₹ Crore)	20.7
Face value (₹)	1.0

Shareholding pattern

	Dec-25	Mar-26	Jun-26	Sep-26
Promoter	65.1	65.1	65.1	65.0
FII	3.7	3.2	2.1	0.8
DII	4.2	4.1	3.6	3.0
Public	27.0	27.6	29.2	31.2

Price Chart



Key risks

- Slower than expected recovery in revenue growth;
- Lower than expected margin expansion

Research Analyst

Bhupendra Tiwary, CFA
bhupendra.tiwary@icicisecurities.com

CA Anjini Sharma
anjini.sharma@icicisecurities.com

Result Update

ICICI Securities – Retail Equity Research

Key Financial Summary

₹ Crore	FY25	FY26	5 Year CAGR (FY21-26)	FY27E	FY28E	2 Year CAGR (FY26-28E)
Net Sales	848	1,060	28.2	1,196	1,357	13.1
EBITDA	189	236	17.7	249	293	11.4
EBITDA Margin (%)	22.3	22.3		20.8	21.6	
Net Profit	173	202	17.2	204	252	11.6
EPS (₹)	8.4	9.4		9.9	12.2	
P/E	24.2	21.7		20.6	16.6	
RoNW (%)	11.3	11.3		10.2	11.2	
RoCE (%)	14.2	14.7		13.7	14.4	

Source: Company, ICICI Direct Research

Performance highlights and outlook

- **Revenue Performance:** Consolidated revenue stood at ₹294.1 crore, up 2.5% QoQ and 14.2% YoY. Dollar revenue grew 2.0% QoQ and 4.5% YoY to US$30.9mn, indicating a return to sequential growth momentum, supported by broad-based improvement across key verticals.
- **Vertical Performance:** Vertical-wise on a QoQ basis, Industrials & Others (9% of the mix) grew 21.4%, Financial Services (21% of the mix) grew 3.5% and CPG & Retail (15% of the mix) grew 2.7%, while Technology (55% of the mix) declined 0.3%.
  - **Technology:** Continued consolidation and budgetary cuts at large clients, particularly in gaming and video streaming, weighed on performance. **Management expects ~5% revenue decline in FY27,** although it believes the consolidation impact is nearing the bottom. Annual renewals across large technology accounts are scheduled for November–January.
  - **CPG & Retail:** Returned to sequential growth, increasing 2.7% QoQ, led by Retail. **Management expects the overall vertical to remain broadly flattish in FY27,** while Retail should continue to perform well.
  - **Financial Services:** Continued to be a key growth driver, with 3.5% QoQ growth. Wealth and asset management witnessed healthy traction, with 3 of the 10+ wins during the quarter coming from these segments. **Management expects 45–46% growth in FY27**.
  - **Industrial:** Delivered strong 21.4% QoQ growth, led by automotive and auto components. **Management expects 60–65% growth in FY27 and sees potential for the vertical to double over the next 2–3 years,** supported by new client wins and expansion into Europe.
- **Geography Performance:** Geography-wise, on a QoQ basis, North America (89% of the mix) grew 1%, while Rest of the World (9% of the mix) and Europe & UK (2% of the mix) grew 3% and 15%. Management intends to strengthen its European presence, focusing on Automotive, Auto Components, CPG and Retail
- **Margin performance**: Reported EBITDA margin came at 20.3%, up 60 bps QoQ/down 150 bps YoY impacted by annual wage hikes (8–10% in India and 4–5% in US; ~100–120 bps impact), lower utilisation at 84% (85% in Q1) & higher bench costs (~40 bps impact from delayed project ramp-ups; projects are expected to commence from November).
- **Demand Outlook/ Guidance: Management guided for FY27 revenue of US$127mn, implying over 6% YoY growth, with ~US$125mn already signed or logged and the remaining ~US$2mn dependent on pipeline conversion. Management expects 3–4% sequential revenue growth in Q3FY27. The US$200mn revenue aspiration has been deferred by nine months to end-CY28 vs FY28. Management indicated potential upside to current guidance if the pipeline converts successfully. On the margins front, management expects EBITDA margins to remain in the 21–22% range over the medium term, supported by operational efficiencies and AI-led productivity gains.**
- **AI Momentum:** AI continues to be a key growth lever, with increasing traction in Agentic AI, data modernisation and enterprise transformation. Databricks-related revenue, including solutions built on its platform, is expected to exceed US$30mn in FY27. Additionally, 153 employees have completed Anthropic Claude certifications. Management is establishing a dedicated Chief Technology & AI Officer function to drive reusable IP, AI Studio, partnerships and capability development.
- **Employee Addition & Attrition:** Employee headcount stood at 1,779, up 52 employees QoQ, while LTM attrition remained stable at 25%. Utilisation declined 100 bps QoQ to 84%.

- **M&A and Capital Allocation: Management continues to evaluate inorganic opportunities, particularly in Healthcare & Life Sciences and Data Engineering**, to strengthen capabilities and accelerate its medium-term US$200mn revenue ambition. **Healthcare & Life Sciences is targeted to contribute ~10% of revenue by 2028,** with potential inorganic additions complementing organic investments.

Exhibit 1: Quarter Performance

	Q2FY27	Q2FY26	YoY (%)	Q1FY27	QoQ (%)	Comments
Revenue	294	258	14.2	287	2.5	Management has guided for FY27 revenues of ~127 mn implying a ~6% YoY growth
Employee expenses	203	168	20.6	197	2.8	
Gross Margin	92	90	2.2	90	1.8	
Gross margin (%)	31.1	34.8	-366 bps	31.3	-20 bps	
Other expenses	32	33	-5.0	33	-4.3	
EBITDA	60	56	6.5	57	5.4	
EBITDA Margin (%)	20.3	21.8	-147 bps	19.8	57 bps	Management expects EBITDA margin to be in the range of 21-22% over the medium term
Depreciation & amortisation	11	10	6.6	11	-1.2	
EBIT	49	46	6.4	45	7.1	
EBIT Margin (%)	16.6	17.8	-121 bps	15.9	71 bps	
Other income	17	16	4.7	20	-15.7	
PBT	65	62	6.0	65	0.2	
Tax paid	17	16	6.0	18	-6.9	
PAT	48.5	45.7	6.0	47.1	2.9	

Source: Company, ICICI Direct Research

Exhibit 2: Change in estimates

	FY27E			FY28E		
(₹ Crore)	Old	New	% Change	Old	New	% Change
Revenue	1191	1196	0.4	1,405	1357	-3.4
EBITDA	254	249	-2.2	315	293	-6.9
EBITDA Margin (%)	21.3	20.8	-54 bps	22.4	21.6	-80 bps
PAT	209	204	-2.7	269	252	-6.2
Diluted EPS (₹)	10.4	9.9	-2.7	13.3	12.2	-6.2

Source: Company, ICICI Direct Research

Financial summary

Exhibit 3: Profit and loss statement	₹ crore		
(Year-end March)	FY26	FY27E	FY28E
Total Revenues	1,060	1,196	1,357
Growth (%)	25.0	12.8	13.5
Employee Benefit Expense	706	815	916
Other Expenses	118	133	148
EBITDA	236	249	293
Growth (%)	25.2	5.2	17.9
Depreciation	41	45	47
Other Income	76	80	89
Interest	10	7	10
PBT	**261**	**276**	**325**
Growth (%)	14.2	5.7	17.7
Tax	59	72	73
PAT before Exceptional Items	**202**	**204**	**252**
Minority interest	-	-	-
PAT after exceptional items	**202**	**204**	**252**
Growth (%)	16.5	0.8	23.7
Diluted EPS	9.4	9.9	12.2
EPS (Growth %)	**11.3**	**5.5**	**23.7**

Source: Company, ICICI Direct Research

Exhibit 4: Cash flow statement	₹ crore		
(₹ Crore)	FY26	FY27E	FY28E
Profit after tax	**202**	**204**	**252**
Finance cost	10	7	10
Depreciation	41	45	47
Others	(76)	(80)	(89)
Change in working capital	71	(7)	(37)
CF from operations	**248**	**169**	**183**
Other Investments	(23)	80	89
(Purchase)/Sale of FA	(54)	(45)	(47)
Intangible Assets	21	-	-
CF from investing Activities	**(198)**	**35**	**42**
Inc / (Dec) in Equity Capital	45	-	-
Inc/(Dec) in borrowings/lease liab	4	-	-
Dividend & Dividend tax	-	-	-
Interest Paid on Loans	(10)	(7)	(10)
NCI	-	-	-
CF from Financial Activities	**39**	**(7)**	**(10)**
Net change in cash	89	197	215
Opening cash	69	159	355
Closing cash	**159**	**355**	**570**

Source: Company, ICICI Direct Research

Exhibit 5: Balance sheet	₹ crore		
(Year-end March)	FY26	FY27E	FY28E
Equity	**21**	**21**	**21**
Reserves & Surplus	1,735	1,938	2,190
Networth	1,755	1,959	2,211
Total debt	33.24	33.24	33.24
Minority Interest	29	29	29
Other liabilities	43	58	62
Source of funds	**1,861**	**2,079**	**2,335**
Fixed assets	56	56	56
Intangible assets	95	95	95
Goodwill	245	245	245
Non current investments	629	629	629
Other non current assets	73	83	94
Current Investments	318	318	318
Cash & Bank Balance	334	530	745
Inventories			
Debtors	231	261	296
Other current assets	112	127	144
Trade payables	20	22	25
Other Current liabilities	214	243	262
Application of funds	**1,861**	**2,079**	**2,335**

Source: Company, ICICI Direct Research

Exhibit 6: Key ratios			
(Year-end March)	FY26	FY27E	FY28E
Per share data (₹)			
Diluted EPS	9.4	9.9	12.2
BV	82.6	96.4	108.6
DPS	-	-	-
Cash Per Share	7.3	17.2	27.6
Operating Ratios (%)			
EBITDA Margin	22.3	20.8	21.6
PAT Margin	19.1	17.0	18.6
Debtor days	80	80	80
Creditor days	7	7	7
Return Ratios (%)			
RoE	11.3	10.2	11.2
RoCE	14.7	13.7	14.4
RoIC	22.4	23.4	27.7
Valuation Ratios (x)			
P/E	21.7	20.6	16.6
EV / EBITDA	15.8	14.2	11.3
Market Cap / Sales	4.1	3.7	3.2
Price to Book Value	2.5	2.1	1.9
Solvency Ratios			
Debt/Equity	0.0	0.0	0.0
Debt / EBITDA	0.0	0.0	0.0
Current Ratio	1.4	1.4	1.5
Quick Ratio	1.4	1.4	1.5

Source: Company, ICICI Direct Research

RATING RATIONALE

ICICI Direct endeavours to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according to their notional target price vs. current market price and then categorizes them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

Pankaj Pandey | Head – Research | pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,
ICICI Securities Limited,
Third Floor, Brillanto House,
Road No 13, MIDC,
Andheri (East)
Mumbai – 400 093
research@icicidirect.com

ANALYST CERTIFICATION

I/We, Bhupendra Tiwary, CFA, MBA (Finance), Anjini Sharma, CA, Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products.

ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by Sebi and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal

Contact number: 022-40701000 E-mail Address: complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Jeetu Jawrani Email address: headservicequality@icicidirect.com Contact Number: 18601231122

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Retail Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Institutional Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one percent or more or other material conflict of interest various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report

SEBI Guidelines for Research Analyst (RA) requires all RAs to disclose terms and conditions pertaining to Research Services to all clients. Please go through the "Mandatory terms and conditions" and "Most Important Terms and Conditions".