

Matrix Comsec



Financial Performance FY 2013-14

▲ Total Revenue	₹93.12 Crore
▲ PBT	₹7.61 Crore
▲ PAT	₹6.50 Crore
▲ EPS	₹980.78

Matrix Comsec registered a total revenue of ₹93.12 crore (unaudited) and net revenue of ₹84.56 crore from its operations in FY 2013-14 against net revenue of ₹74.9 crore in the previous year. PBT and PAT in FY 2013-14 were ₹7.61 crore and ₹6.50 crore (unaudited), respectively, as against ₹5.84 crore and ₹5.36 crore, respectively, in the previous year. EPS in FY 2013-14 was ₹980.78 (unaudited) against ₹809 in the previous year. The total revenue, PBT, and PAT for FY 2014-15 are expected to be ₹117 crore, ₹10 crore, and ₹9 crore, respectively. In FY 2013-14, the company's revenue grew by 15 percent in the Indian market. The company added new telecom service providers, banks, and defense organizations in its list of customers. During 2014, the company plans to focus and consolidate all the four domains of its business – telecom, time-attendance, access control, and IP video surveillance. The company has plans on all the business areas – products, SI channel, and end-customers and is poised to grow its international business.

Operational Review

Matrix delivered another strong performance and continued to record growth in turnover and profitability during the year under review. In spite of extremely challenging and turbulent market, Matrix was able to achieve these numbers due to its clear focus on products and customers. Rigorous R&D ensured differentiated products helping Matrix to live by its core value proposal *Expect More*. Quality, operational

efficiency, and better customer service were other three important directions.

Matrix channel network spans now over 50 countries around the world including technologically advanced countries like the United States, Germany, Italy, Spain, Portugal, Australia, UAE, and South Africa. Matrix emerged as a regular exporter for electronic products in the year under review. Matrix has received *Good Design Japan* award for its COSEC range of products, *Top 500 Emerging SME Company in India* by *INC* magazine and *The Best Electronic Company in Gujarat* by *GESIA*.

Leadership across Categories

Matrix continues its leadership in the IP-PBX segment by outselling all other competitors in terms of the number of ports sold. Matrix COSEC has emerged as an outstanding and a real break-through time-attendance and access control solution for large enterprises supporting 1000 locations, 10,000 entry points, and 1 million users. Many reputed companies have chosen Matrix COSEC including Adani, Sterling & Wilson, Religare, TCI, Gold's Gym, Gruh Finance, SBI, MAN Trucks, and Gujarat Ambuja. Matrix also redefined its offering in its video surveillance domain with cutting-edge and differentiated products during the year.

Consumer Solutions

Matrix is a channel-oriented company with strong channel partner network. The company is expanding and empowering

this network to reach out to more and more customers and deliver value-added solutions and services. With regular presence in domestic as well as international exhibitions and organizing road shows, the company marked its presence to reach to distributors, system integrators, dealers, and end-customers from industries from various sectors. This has resulted in product awareness and better customer-connect. Quicker resolution of issues has led to higher customer satisfaction and a significant reduction in pending customer issues.

Risks and Concerns

Matrix's success in the coming years will depend on how the company adapts to ever-changing technology landscape and how it deals with ever-increasing competition. Its ability to launch right products in the right market at right time will define its future growth path. Another challenge Matrix faces is its ability to develop markets for its solutions. Manpower, development, marketing and other costs inflation add to the company's risks. To offset these cost escalations, Matrix has taken operational excellence initiatives in all key areas including R&D, manufacturing, marketing-sales and support. Matrix tries to manage its dynamic business with increased frequency of cost and pricing reviews and aggressive cost saving initiatives. Currency market volatility also poses a challenge for the company albeit it gets nullified to a great extent due to imports and exports. Matrix is a net forex earning company. ■



Our revenue grew by 15 percent during FY 2013-14. Last year, we have significantly invested on new products in telecom and security domains. Now, our focus is to establish these products in the market place and increase our revenue through SI network expansion and acquiring projects. We also expect higher utilization of infrastructure, man-power, and resources for better profitability during the year.

Ganesh Jivani
Managing Director,
Matrix Comsec

