ZICOM
Electronic Security Systems Ltd.

Certified True Copy
For Zicom Electronic Security Systems Ltd.

Director.

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A decade back, technology went as far as an alarm or a CCTV. And these measures were seldom challenged. The same can't be said today. As our lives have modernised, the attending security threats have evolved too. *High-rise fires, nimble-brained burglars, industrial espionage and cyber bandits.* Thankfully, technology has stayed ahead. Effectively countering the threats of the new world. With **ZICOM** Electronic Security Systems as the main exponent.

But it's not just **ZICOM**'s state-of-the-art solutions, or its wide range of technology innovations, that instill a feeling of confidence in clients nationwide. It is what the sign of **ZICOM** stands for. It is the sign of confidence. Of a mind that's free to excel, to fulfill its ambitions, to lead. This is the sign that reassures. That builds trust through values. Completely alert, completely responsible, always **ZICOM**. It's the sign of being **ZICOM** Secured.

Since 1995, **ZICOM** has been effectively negating fear. Understanding needs and customising solutions. Giving the power of technology, the strength of service. Adding the unbeatable dimension of fool-proof reliability. With revolutionary innovations such as the Central Monitoring Station for round-the-clock surveillance on every installation; a Quick Response Cell and a 24 hour help-line to ensure that technology performs to its optimum.

ZICOM. Combining technology with human expertise; quality with commitment. Breaking the chains of fear. Encouraging freedom.

MISSION STATEMENT

ZICOM is committed to retain a leadership position in its **e-security** products and services through utilization of the best and the most appropriate technologies, application of knowledge and most efficient marketing of high quality solutions and services to constantly enhance customer's confidence and fulfil responsibilities towards shareholders, employees and associates.

ZICOM

Core Values

- We must proactively manage change. It is the only constant.

- We must delight our customers, only they provide us job security.

- We must develop ourselves as leaders for the future by practicing professional excellence in everything we do.

- We must treat everyone with personal attention, openness, honesty and respect.

- We must build a team-based organization by sharing knowledge, empowering employees and eliminating bureaucracy.

- We must break down all departmental barriers as working together works.

- We must focus on end-results, not activities.

- We are accountable for our actions and their results.

ZICOM

BOARD OF DIRECTORS	**Manohar Bidaye** - *Chairman*
	Pramod V. Rao - *Managing Director*
	M. V. Rao - *Executive Director*
	Sateesh Sunke - *Director*
	Harish Nayak - *Director*
	Mukul Desai - *Alternate to Shri Harish Nayak*
AUDITORS	**P. Raj & Co.**
	Chartered Accountants
BANKERS	**Union Bank of India**

REGISTERED OFFICE	45, Chimbai Road,
	Behind St. Andrews Church,
	Off Hill Road,
	Bandra (West),
	Mumbai - 400 050.
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Achievements in F.Y. 1999-2000

(Rs. in lakhs)

Particulars	1999-2000	1998-99	Change in %
Total Income	1239.43	804.86	54
Gross Profit Before Interest & Depreciation	256.74	129.28	99
Cash Profit	193.29	65.76	194
Profit Before Tax	168.53	31.23	440
Net Profit After Tax	121.53	27.23	346
Paid-up Share Capital	780.91	577.06	35
Reserves & Surplus	1660.16	75.05	2112
Book Value Per Share (Rs.)	30.47	10.58	188

1. Introduced **advanced Wireless Security Systems**.

2. Tied up with **Motorola, Worldwide Smart Card Division** to launch Smartcard and RFID Solutions in India in February, 2000.

3. Established, **"e-SmartNET Division"** in International Infotek Park, Vashi, Navi Mumbai for development of Smartcard and Embedded Software Applications.

First Quarter of F.Y. 2000-2001

1. Unaudited financial results for the quarter ended June 30, 2000.

(Rs. in lakhs)

Particulars	Quarter ended June 30, 2000 (Unaudited)	Quarter ended June 30, 1999 (Unaudited)	Change In %
Total Income	363.83	172.60	111
Gross Profit Before Interest & Depreciation	64.16	27.54	133
Profit Before Tax	54.92	7.24	659
Net Profit*	54.92	7.24	659

* Provision for tax not considered

2. Launched a unique service scheme **"Zicop Online Security Network"** (the first of its kind in India) to cater to security needs of retail and residential segment in Mumbai.

3. Tied up as **Strategic Business Partner** with **Schlumberger**, leading provider of Smartcard based solutions worldwide.

ZICOM

OVERVIEW OF ZICOM BUSINESS

Security no longer means a lock on the front door or a security guard at the gate. Today, security means state-of-the-art Access Control, Intelligent Building Management, Infra-red Sensing, Perimeter Protection, CCTV Surveillance, Electronic Article Surveillance ....

As threat perceptions have changed, security as a concept has metamorphosed and evolved. In 1995 when Zicom was born, the electronic security systems industry was in its infancy. Since then, Zicom has been responsible for bringing these hi-tech systems to the doorsteps of its valued customers. It has innovated, improvised, spent time and developed expertise in studying client requirements, research and development, upgrading and improving it's product range and services. It has made these systems accessible to all those in need of security. That's almost everyone.

In 1995, it pioneered the concept of the Central Monitoring Station that keeps a watchful eye on its security installations.

Zicom is not selling standard products, but offers customized solutions to meet security needs of the customers in the following application areas :

1. Intrusion and Burglar Alarm Systems
2. Access Control Systems
3. Fire Detection Systems
4. CCTV Surveillance Systems
5. Electronic Article Surveillance Systems
6. Remote Video Surveillance
7. Integrated Building Management Systems
8. RFID Solutions
9. Smart Card Solutions

The above systems are designed to meet the security needs of residential, retail, commercial and industrial customers. The strength of Zicom's knowledge and technical expertise lies in guiding customer to determine his security needs and to integrate various systems with suitable hardware and software to satisfy those security needs.

The customer is also secured by unique add-on services such as Comprehensive Warranty, Annual Maintenance Contract, Trouble Shooting Services, Holiday Break Down Services and 24 Hours Customer Help Desks. Also, Intrusion and Fire Installations are supported by online monitoring through Central Monitoring Stations, which operates 24 x 7 days. Initially, Zicom started its operations at Mumbai and Bangalore; and is now establishing Network of Office Cum Central Monitoring Stations in eight major cities of India. This expansion plan is aimed at retaining Zicom's leadership in security industry.

The brand of Zicom is positioned as premium brand in Electronic Security Industry. Zicom is not merely committed to selling its products, it is a Company committed to the welfare and well being of its customers.

In the new millennium, Zicom again foresee great changes taking place in the Electronic Security Industry due to revolution brought by internet in day today life. In order to meet the challenges forced by IT industry for technology upgradation, Zicom has plans to make all its systems **Web and Wireless Enabled**. Zicom has also diversified into development of software for Smartcard Applications and Embedded Applications. With its e-SmartNET Division, Zicom will be able to deliver latest and state-of-the-art systems and applications to security industry and embedded software solutions.

6 *Security That Never Sleeps*

Ⓩ ZICOM

ZICOM'S CENTRAL MONITORING STATION (CMS)

Zicom pioneered the concept of **CENTRAL MONITORING STATION (CMS)**, a security vigilance centre, which is connected through telephone lines to intrusion and fire alarm systems installed at the premises of the customers.

CMS was pioneered by Zicom in India to make intrusion and fire alarm systems almost foolproof. The object being not only to maintain a high level security systems, but also to make it response in case of any emergency. CMS monitors the security systems installed at the Customer's premises round the clock and in case of any intrusion or fire break out, the security system installed seizes the telephone lines and instantly communicates the alarm to the CMS. The CMS is designed to immediately communicate the nature and the exact location of the cause of the alarm. The CMS operators access the details of customer through customised software and attempt to establish contact with the user to inform him about the nature of alarm. If the contact cannot be established with the customer, the CMS operator informs the concerned authorities like the Police, or the Fire Brigades all within minutes of the alarm.

Simultaneously, the system installed at the customers' premises activates local alarms. Research has revealed that 85% of the time when there was a break in or a fire, the CMS has proved to be a deterrent and a strong back up support to the security systems installed. The customer need not have dedicated telephone line for this operation .

The technology of CMS also helps to do preventive maintenance. Zicom's CMS is designed to check up the health of the systems at periodical intervals without visiting customers' premises. This reduces the cost of servicing the customer and always maintains the systems at the highest standard to meet any emergency situation.

Beside the above, the Zicom CMS network offers the following additional services.

a) 24 Hours help-line
b) Wake-up calls
c) Helps in case of medical emergency
d) Remote arming and disarming of the system.
e) Monthly report on security status of the premises.

Zicom has developed a Central Monitoring Station software, a very user friendly and interactive software, which maintains the complete database of CMS connected clients along with their system details.

CMS software was designed to provide complete support to CMS operators to access client's details alongwith their system details. It also provides a view of online transactions and generates various activity reports.

Zicom is planning to introduce wireless technology in CMS whereby CMS if required, can be operated wireless thus eliminating any failure of land line system.

Security That Never Sleeps **7**

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e-SmartNET Division

Zicom's technology division 'e-SmartNET' was launched in February, 2000 with the goal of achieving leadership in the emerging Indian market for Smartcard Applications and Embedded Software Applications.

Smartcard is a credit card size, temper resistance security device that offers functions for secure information storage and information processing. It contains a secure microprocessor chip embedded in the card. Smartcard is a powerful and promising new technology, which will be a universal tool for authentication and remote loading allowing transactions and access to services for the global citizens.

In the future, Smartcards carried in wallet will carry a multitude of functions. Smartcards are driving forward, the conversions of markets such as banking, mobile telecommunications and electronic commerce on a single card. Different emerging Smartcard technologies are converged to create a global infrastructure. e-SmartNET division aims to become a leader in the Smartcard applications market.

This Division will assist customer in building and implementing their Smartcard strategies, issuing multi application Smartcard to their staff, suppliers and customers to access their corporate resources, facilities, internal computer network and services. The e-SmartNET division is having team of marketing executives, programmers and hardware engineers. e-SmartNET Division will provide the following Smartcard services :

1. Sourcing Smartcard and terminals.
2. Development of specialized software and customisation of existing software.
3. Backend software integration.
4. System installation.
5. Maintenance and support.
6. Electronic as well as physical personalization of card.

e-SmartNET division is developing innovative applications on contact and contactless Smartcards. Zicom has successfully delivered Door Access Control Systems using RFID Proximity and Swipe Cards. With e-SmartNET Expertise, it will now deliver state-of-the-art smartcard based door Access Control Systems. These cards also enable library management, cafeteria management and other corporate work place applications. e-SmartNET is also developing Smartcard loyalty applications for large Retail Chains, Resorts and Five Star Hotels. Through this loyalty scheme, the user can achieve higher customer retention. The loyalty card can also generate valuable data on buying habits and preferences, thus allowing more effective products and service marketing. For customers, it means, lower prices and potentially, a more personalized service.

To support the division with the latest technology with hardware support, Zicom has tied up with Motorola - Worldwide Smartcard Division, and Schlumberger Ltd., the world leaders in Smartcard technology.

Driven by exponentially growing device functionality with dwindling hardware prices (Moore's Law) and anytime - anywhere connectivity (Metcalfe's Law) the power of ubiquitous embedded computing is around the corner.

Emerging embedded computing settings include network application with their own IP addresses in the home, automated factories, hospitals, wireless connected cars and e.education. e-SmartNET would like to contribute to the establishment and proliferation of this new computing domains. These applications will go a long way in making life smart and convenient.

8 *Security That Never Sleeps*