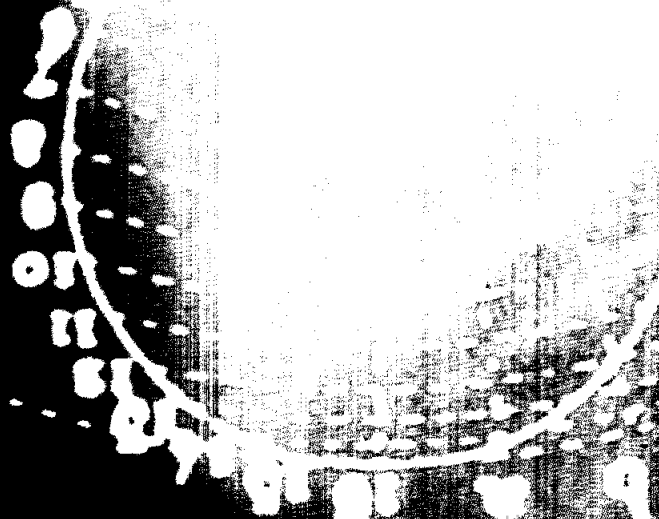
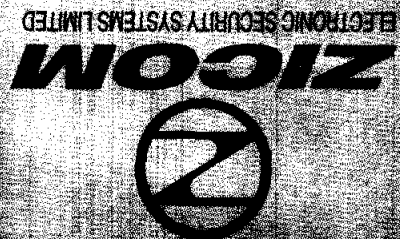


Together To A Secure World

ANNUAL REPORT 2001 - 2002





BOARD OF DIRECTORS

Manohar Bidaye - *Chairman*

Pramod V. Rao - *Managing Director*

Sateesh Sunke - *Whole Time Director*

Harish Nayak - *Director*

Mukul Desai - *Director*

R. S. Hugar - *Director*

COMPANY SECRETARY

Dharmendra Oza

AUDITORS

P. Raj & Co.
Chartered Accountants

BANKERS

Union Bank of India

REGISTERED OFFICE

Zicom House, 45, Chimbai Road,
Behind St. Andrews Church,
Off Hill Road, Bandra (West),
Mumbai - 400 050.
Tel. : (022) 645 2784/85, 645 4841, 651 5571/72
Fax : (022) 645 4842
E-mail : investors@zicomsecure.com
Website : www.zicom.com

SHARE TRANSFER DEPT.

303, Dimple Arcade,
Asha Nagar, Western Express Highway,
Kandivali (East),
Mumbai 400 101.
Tel Nos.: (022) 8545718
Email: sharedept@zicomsecure.com

Together To A Secure World

FINANCIAL HIGHLIGHTS 1999-2002

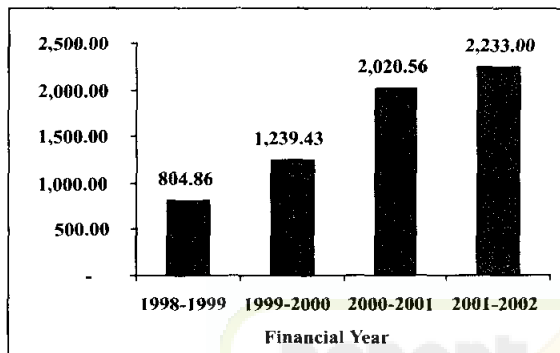
(Rs. In Lacs)



Particular	1998-1999	1999-2000	2000-2001	2001-2002
Total Income	804.86	1,239.43	2,020.56	2,233.00
Gross Profit Before Interest & Depreciation	129.28	256.74	397.00	436.49
Cash Profit	65.76	193.29	380.70	319.35
Profit Before Tax	31.23	168.53	304.82	314.09
Net Profit After Tax	27.23	121.53	259.01	201.33
Paid-up Share Capital	577.06	780.91	818.71	818.71
Reserves & Surplus	75.05	1,660.16	2,075.37	2,002.17
Book Value Per Share (Rs.)	10.58	30.47	34.78	33.58
EPS - Not annualised (Rs.)	0.47	1.56	3.16	2.46

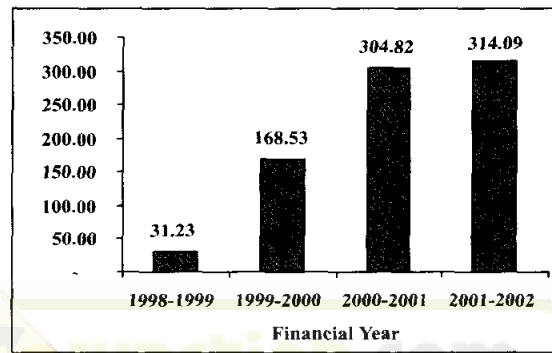
Total Income

(Rs. In Lacs)



Profit Before Tax

(Rs. In Lacs)



FIRST QUARTER RESULTS 2002-2003

(Rs. In Lacs)

Particulars	Quarter ended June 30, 2002 (Unaudited)	Quarter ended June 30, 2001 (Unaudited)
Total Income	618.94	438.16
Gross Profit Before Interest & Depreciation	125.55	85.80
Profit Before Tax	95.75	56.85
Net Profit	62.23	36.87

Together To A Secure World

FINANCIAL HIGHLIGHTS

**ZICOM**

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Together To A Secure World

CORE VALUES



OUR 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.*



OUR BUSINESS

It is an inarguable fact that life, a decade back, was simpler than it is today. As technology races forward at break-neck speed, progress throws up a fresh, new set of challenges. New criminals, hijackers and hackers are not the figment of some sci-fi writer's imagination. They are here in our midst making us more vulnerable than ever before. Thankfully, technology is progressing at the speed of thought, and has the advantage over those who seek to subvert its systems.

Yes, over the years, the concept of security has metamorphosed and evolved dramatically. Today, security means Access Control, Intelligent Building Management, Infra-Red Sensing, Perimeter Protection, Remote Video Surveillance, state-of-the-art Fire Detection Systems, Smart Card Solutions.....

Zicom was born in 1995, which is really not very long ago. At the time of our inception, the security business in India was indeed in its infancy. For most people, security simply meant locks and bolts on the door or a lathi-wielding guard at the gate. Anything more sophisticated was largely the contribution of the unorganized sector. The time was right for **shaping this niche market**.

Zicom's success in the field has been the result of sheer hard work. Of long, days and nights were spent studying client requirements, innovating and improvising, developing expertise, nurturing a super-competent workforce and bringing to the market superior products and services that best address security demands. Introducing a host of products and services, and giving the market a thrust and momentum that has brought about quick-paced growth.

Zicom's strategy was simple and straightforward. Listen to customer requests, monitor all technological alternatives and provide a range of options to choose from. Today, Zicom does not merely sell standard products, it offers customized solutions in each of the following areas:

- Access Control Systems
- CCTV Surveillance
- Fire Detection Systems / Fire Suppression Systems
- Intrusion and Burglar Alarm Systems
- Electronic Article Surveillance Systems
- Asset Management
- Smart Card Solutions
- Remote Video Surveillance
- RFID Solutions
- Law Enforcement Products
- Integrated Building Management Systems

Even a cursory glance at our past shows that Zicom is a pioneer and is responsible for driving state-of-the art technology in India.

Zicom designs systems to meet the security needs of residential, retail, commercial and industrial customers. Zicom's in-depth and extensive knowledge of the field and its determination to keep abreast of the latest trends internationally, has made it what it is today... **a market leader** with a sizeable chunk of the market share.

Zicom's strength lies in its ability to guide its customers in determining security needs and to integrate various systems with **durable hardware and versatile software**. It follows then, that confidence is a by-product that they have minimized the security threats confronting them. Confidence that **with Zicom they are safe**.

Installing sophisticated fire alarms and intelligent burglar alarm systems and other sensitive security equipment is fine. But ours being a proactive Company, we refused to sit back on past achievements. We were soon asking ourselves, “How can we make our systems even more meaningful to our customers?” The answer lay in setting up a Central Monitoring Station (CMS) – a security vigilance centre that is wired through telephone lines to intrusion and fire alarm systems installed at the premises of our customers. Since the CMS monitors systems for unwarranted activity round-the-clock, it follows that a connection to this cell makes security systems almost foolproof.

How does the CMS operate during an emergency?

In the event of a break-in or the outbreak of a fire, the security system, installed at the customer’s premises, seizes phone lines immediately, alerting the operator at the CMS. The Zicom operator uses the Zicom Information Management Software to access details about the customer (e.g. Emergency contact numbers etc.) he seeks to notify. He simultaneously contacts the relevant authorities – the police or the fire brigade all within seconds of the alarm. While this is going on, the installed systems (at the customer’s premises) activate the local alarm. The CMS has a 92% success rate in acting as a deterrent and a strong backup support to individually installed security systems around the city.

Zicom’s Custom-designed CMS Software is interactive and user-friendly and performs the following functions :

- ☐ It maintains the complete database of CMS-connected clients along with their system profile details
- ☐ It provides complete support to CMS operators to access a client’s system details
- ☐ It displays an overview of online transactions and generates various activity reports.

In time to come, Zicom plans to substitute landline systems with wireless technology, thus eliminating failure, if ever, when the landlines are not operational.



OUR DIRECTORS

I. MR. MANOHAR BIDAYE:

Mr. Manohar Bidaye, aged 39 years, is a Master of Commerce (M.Com) from the University of Bombay, has a General Degree in Law (LLB - Gen.) and is also an Associate Member of The Institute of Company Secretaries of India (ACS).

Mr. Manohar Bidaye is a Promoter and Chairman of Zicom Electronic Security Systems Limited. At Zicom, he is involved in overall Corporate Planning, Strategy Forming and Implementation, Financial Management, Banking, Accounts, Taxation and Legal aspects.

He has been practicing as Company Secretary since, 1989 and has varied experience in Corporate Counseling and developed expertise in Corporate Law and Taxation Laws. As a Consultant, he has been instrumental in setting up and associated with many projects and rendered services in Corporate Restructuring, Mergers and Amalgamations, Foreign Collaborations & Tie-ups, Strategic Business Partnerships, Planning & Implementation.

II. MR. PRAMOD V. RAO:

Mr. Pramod V. Rao, aged 44 years, is a Promoter and Managing Director of Zicom. He is a Science Graduate and has over 18 years of marketing experience in various conceptual product categories like packaging items, beverage vending machines, modern electronic communication equipments and electronic security systems.

He looks after the day-to-day affairs of the Company and is responsible for identifying strategic international business partners, strategy planning, overall marketing and sales functions.

III. MR. SATEESH SUNKE:

Mr. Sateesh Sunke, aged 53 years, Director - Human Resources, is a Science and Law Graduate. He has been associated with Zicom since its inception.

Prior to joining Zicom, he was Senior Vice President at BOI Finance Ltd. He has 25 years of banking experience especially in Foreign Exchange, Merchant Banking and Advances. At Zicom, he looks after HR, Liaison, Administrative and Commercial functions. He has been solely responsible for putting in place Zicom's HR policies and systems to build a dedicated team of employees.

IV. MR. HARISH NAYAK:

Mr. Harish Nayak, aged 37 years, has received his Masters of Science in Electrical Engineering from Oregon State University, USA and Bachelors of Engineering in Electronics & Communication from Manipal Institute of Technology, India.

Harish Nayak is a Co-founder, a member of the Board of Directors and the Vice-President, Marketing of Maranti Networks Inc. based in Silicon Valley, USA. He has over 12 years of experience in the computing, communications and networking industry.

Prior to promoting Maranti Networks, he was Director of Marketing / Product Management for iReady Corporation, where he has devised corporate strategy and business model for products and services (ISP and ASP services for non-PC devices and industrial applications). Prior to iReady he led the marketing teams for Information Appliances Group and Cyrix Group at National Semiconductor and was in the Pentium Microprocessor design team at Intel.



V. MR. MUKUL DESAI:

Mr. Mukul Desai, aged 46 years, is a Bachelor of Commerce from the University of Bombay and is a Fellow Member of the Institute of Chartered Accountants of India (FCA). He has been practicing as Chartered Accountant since, 1982 and has varied experience in the field of Audits and Taxation and developed expertise in Corporate Law Matters, Direct and Indirect Taxation Laws, Corporate Finance Structuring, etc.

VI. MR. R.S. HUGAR:

Mr. R. S. Hugar, aged 62 years, a postgraduate in Econometrics from Pune University. He brings with him vast experience of three and half decades in Banking and Finance.

Mr. Hugar's illustrious career, in Banking started at Bank of Maharashtra from January 1967 where he worked for 25 years in various capacities.

He was the Chairman and Managing Director of Corporation Bank. He took lead role in introducing number of technology based innovative products. These significant performances have placed the bank in "Number One" spot in the entire banking sector comprising of 93 PSBs, Private Sector Corporation and Foreign Banks.

In recognition of Mr. Hugar's role and services as a Chief Executive of Corporation Bank, the following meritorious awards have been conferred by national / international organisations.

- ❖ "Award for Excellence as Top Professional Manager" in February 1999 at Delhi by the Institute of Marketing and Management, an internationally reputed institution.
- ❖ "International Gold Star Award" by India International Friendship Society, UK on 25th June 1999 at London under Banking and Finance category.
- ❖ "Dadabhai Naoroji New Millennium International Award" by Dr. Dadabhai Naoroji Parliamentary Centenary Celebrations Committee, Delhi in June 1999 for Excellence and Lifetime achievement.
- ❖ "Best Finance Man of the Year 1998-1999" by National foundation of Indian Engineers, New Delhi, for the outstanding performance in Banking sector and charismatic leadership qualities.



OUR EMPLOYEES

When all is said and done, a Company is as good as the people it employs. Getting the right person for the right job is all the more critical in a field where technology outpaces itself with such amazing frequency. It seems we as a Company are doing something right, because **we have a specialized team of professionals** that continues to grow. From a team of 20 in 1995 to over 150 today. Being at the forefront of cutting edge technology, we continue to attract top-notch talent that prides itself on being involved with the technology of tomorrow.

Our people are young- the average age being 30 years. Youth translates into freshness in ideas and approach, energy and dynamism, strength and resilience.

Our team, our pool of intellectual capital, is the core strength of our Company. The fact that we are able to create a challenging, stimulating and happy environment and retain our specialists in a field where the employee turnover is inordinately high is indeed a matter of pride for us.

How has this been possible?

Through the creation of **excellent employee relations**. Our people share their experience with each other, shoulder responsibilities together, celebrate triumphs together too-so that colleagues become friends, and the workplace, a second home.

At Zicom, no effort is spared in supporting growth and progress- at both the individual and team levels. Motivational programmes, performance incentives and rewards, corporate celebrations, open house discussions, workshops, seminars and intensive in-house training are the many ways by which **we invest in our people**.

