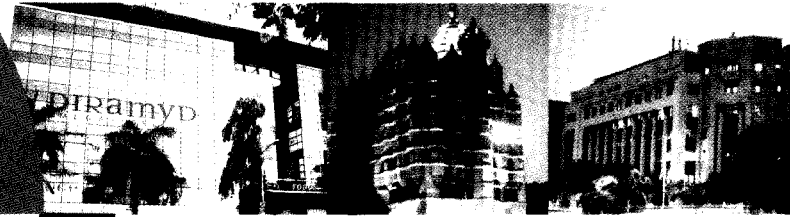




Zicom @ Work



The World feels Safe

Report  Junction.com



Feel Safe



Work World feels Safe

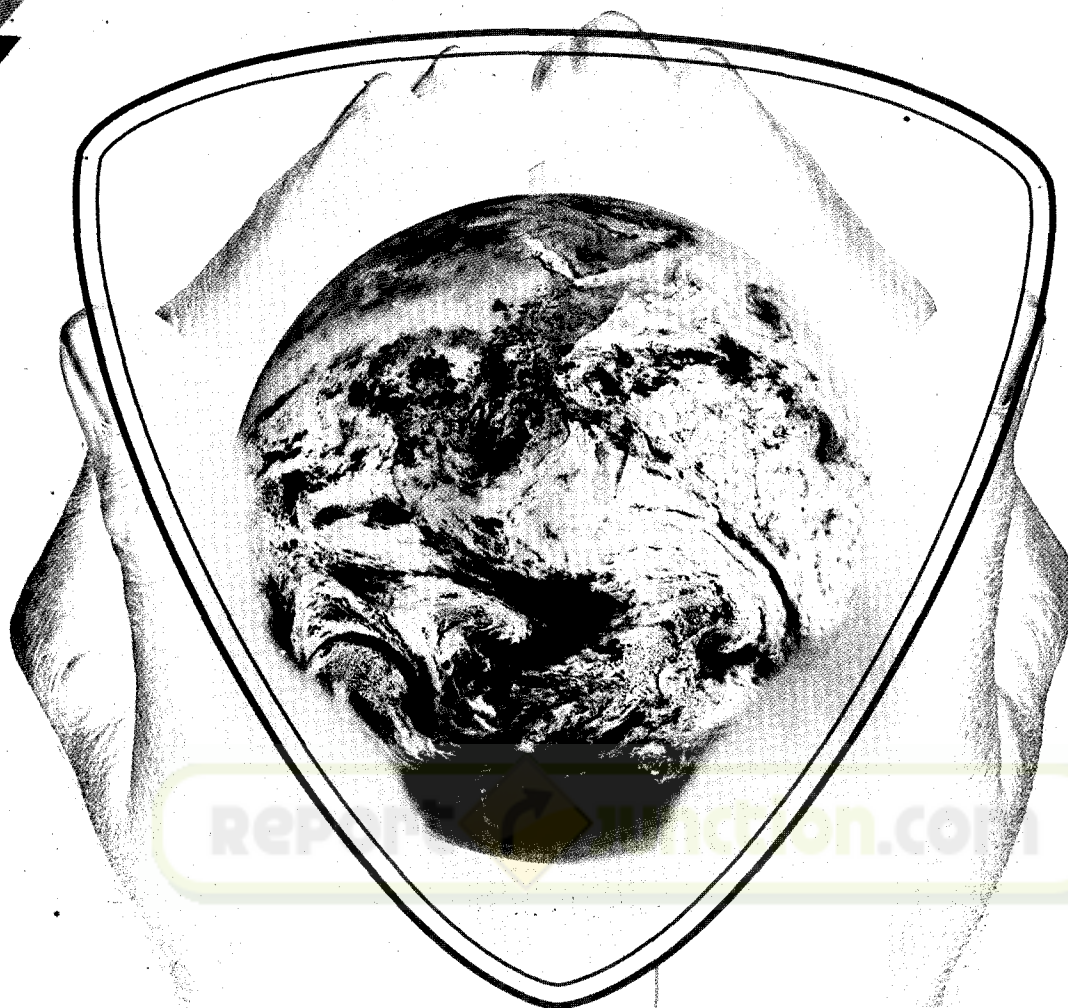
C O N T E N T S

02	The Road Ahead
04	Board of Directors
06	From the Chairman's Desk
08	MD Speaks
09	Zicom Solutions
14	Life at Zicom
16	Our Clients
17	Notice and Explanatory Statement
27	Directors' Report
32	Management Discussion and Analysis
36	Corporate Governance Report
49	Auditors' Certificate
50	Auditors' Report
53	Balance Sheet
54	Profit & Loss Account
55	Cash Flow
56	Schedules forming part of Annual Accounts
61	Notes to Accounts
71	Balance Sheet Abstract
73	Our Reach

Report



Reportjunction.com



Zicom @ Work

A Safe tomorrow

The Road Ahead

Mission

Zicom is committed to provide safety to customer by continuously developing and delivering / offering new technologies, innovative products, solutions and delightful services, by abiding all its commitments to customers. We will nurture our channel partners by providing profitable avenues of growth and fulfill responsibilities towards shareholders by achieving consistent growth in shareholder's value and adhering to fair practices in all its dealings with employees and business partners.

Vision

"TO BE THE COMPANY YOU TRUST THE MOST
TO PROTECT WHAT YOU VALUE THE MOST"

Core Values

- ❖ Stay tuned to the Customer at all times
- ❖ Keep raising the bar on Performance
- ❖ Work with Transparency, Integrity and Accountability

"The rung of a ladder was never meant to rest upon, but to hold a man's foot long enough to enable him to put the other somewhat higher".

Zicom Electronic Security Systems Ltd. as one of India's pioneers in the organised electronic security solutions provider segment has embodied this very philosophy. Right since its inception in 1995, Zicom has been at the helm of the Indian security industry with cutting edge technology and innovative offerings as its backbone. This has enabled Zicom to establish itself as the largest system integrator of embedded electronic security in the country.

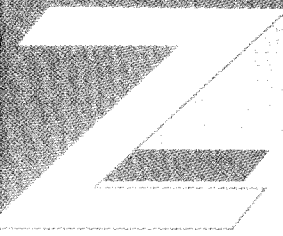
With an eye on the growing awareness and needs of the Indian consumer, Zicom offers its comprehensive array of products and services designed to suit different industries and budgets. These include sophisticated proximity and biometric based access control systems, CCTV surveillance including remote video surveillance, fire alarm systems, smart cards, perimeter protection systems and other law enforcement products. With this technology at its fingertips and with Zicom@work as a shield, its customers are enabled to focus on bigger goals and prosper.

The ever dynamic market has presented a new fast growing opportunity for Zicom, the next rung in the ladder of its meteoric growth. Zicom understands the market and its needs at a more grass root level, and has taken its capabilities to individual homes and end users.

Zicom marks its foray into the retailing domain by launching of initiatives such as the "Zicom Consumer Service Group" to cater to the needs of the people at large by offering value for money products with a great emphasis on their ease of use.

Zicom's alliance partners include some of the best names in the business of Electronic Security.

Zicom, as the market leader of this fast growing industry stands by its belief that security is for everyone and has taken proactive steps to make it happen. Hence, the road ahead is defined with the aspiration to bring state-of-the-art security solutions to the length and breadth of our fast growing nation.



Zicom @ Work

Institutions feel Safe



Board of Directors

- ❖ **Mr. Manohar Bidaye** **Chairman**
 - ❖ **Mr. Pramod Rao** **Managing Director**
 - ❖ **Mr. Harish Nayak** **Director**
 - ❖ **Mr. Mukul Desai** **Director**
 - ❖ **Mr. Vijay Kalantri** **Director**
 - ❖ **Mr. R. S. Hugar** **Director**
 - ❖ **Mr. Nilkanth Tapare** **Additional Director**
(w.e.f. January 24, 2006)
 - ❖ **Mr. Achyut Godbole** **Additional Director**
(w.e.f. June 29, 2006)
 - ❖ **Dr. B. Samal** **Additional Director**
(w.e.f. June 29, 2006)
-

Zicom @ Work

Families feel safe



From the Chairman's Desk

Dear Shareholder,



I am delighted to present the performance of Zicom for the fiscal year 2005-06. The Company has achieved the performance parameter set at the beginning of the year, with a growth rate of 31.25%, which is consistent for the past three years.

An aspiration is the main energy for any human being. This helps individuals and organizations to achieve extra-ordinary goals in life. The aspiration of Zicom is now truly reflected in the reinforced vision, mission statement and core values. Our vision to become a Company, which will earn trust to protect the most valuable belongings of humans, has placed us in a space where we can touch base with each and every individual to share his concern for security and safety. Our enduring mission and values are driving our confidence and the confidence of the customers of the Company. Restructuring of the business and strategic investment in new areas, which are a hallmark of the last year are a natural fall out of our reinforced identity.

The Indian economy is poised to continue to grow at almost 8%, which is the most encouraging sign for all of us. We have every reason to believe that 7.5-8% GDP growth is sustainable, so long as the present level of investment in infrastructure continues. However, one has to be cautious about higher input costs on account of rising oil prices and the interest rate scenario. Also, the stability of the Indian currency is a cause of concern. Despite of resources constraints and adverse policy environment, in my view, the fundamentals of the Indian economy remained intact.

To capitalize on the opportunities thrown by the rapid infrastructure developments and overall growth in the economy, Zicom has restructured its operations in two business groups, each headed by a CEO. The Security Solution Group focuses on corporate business catering to Government and non-government verticals, such as Banks, IT & ITes etc. The new born Consumer Service Group, which was created out of experience of Z-security Service, focuses on retail and home segments. With rising aspirations of the Indians in all parts of the nation, with rapid expansion and consumption at all levels in the society, I am sure, this group will substantially contribute towards the realization of our vision.

During the year, the Company has raised resources by offering securities in the international market by way of FCCB offering of US\$ 11 million, which will help to implement the business plans of both these groups.

The security industry is showing good growth globally and in India and is poised to grow manifold in years to come. The new technologies such as bio-metrics, RFID and wireless solutions will be widely deployed to meet the safety needs of the people. For Zicom, the coming years will be particularly exciting. The Company has launched a wide range of new and technically advanced products for home and retail segment and this will be made available to the consumers through a chain of retail outlets. There will, of course, be constraints and challenges, but the tremendous spirit that has always been displayed by Zi-Champs at all levels in the organization, will meet those challenges and enable Zicom to retain its leadership position in the Indian electronic security industry.

I take this opportunity to express my gratitude to the Board, customers, suppliers, bankers, employees and all our shareholders for their confidence and support.

Innovation is the important instrument for strengthening the relationship with the customers.

Regards,

Mr. Manohar Bidaye

Chairman

Zicom @ Work

Devotees feel safe

