



Feel Safe

^ **Winning** Combination



Zicom Electronic Security Systems Ltd.

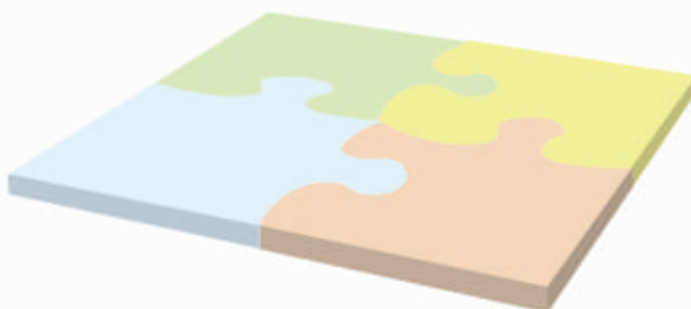
Annual Report 2010-2011

Forward-looking statement

In this Annual Report we have disclosed the forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe that we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



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A Winning Combination...

Safety is a matter of choice and not a matter of chance. Zicom is yet again geared up to prove the same, with its trusted quality and impeccable security solutions!

Together with Zicom Products & Solutions, Zicom Saas, Unisafe India and Unisafe Dubai, Zicom is strengthening its focus and commitment in the electronic security industry.

After resurrecting its business last year, Zicom is all set to achieve its goals with a renewed and a clear vision of the future. This winning combination is sure to get progressive growth, as Zicom continues to win customers with uninterrupted peace of mind!



Our Vision

To be the Company you Trust the most
to Protect what you Value the most

Mission

Zicom is committed to provide safety to customers 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.

Values

Stay tuned to the Customer at all times
Keep raising the bar on Performance
Work with Transparency, Integrity and Accountability
Respect for Every Individual



MANOHAR BIDAYE, Promoter and Chairman

Manohar Bidaye, Chairman & Co-Founder of Zicom has earned his Masters in Commerce from the University of Mumbai. Apart from completing his professional curriculum in Company Secretary, he also has a Degree in Law to his credit. After establishing himself as a successful Consultant in Corporate Law and Finance he co-founded Zicom in 1994.

He is a proud recipient of the prestigious "Yashashree 2008 Award" given by The Maharashtra Times, in recognition and honour of his achievements across various industry segments. His vision of setting up this organization comes from his passion to make a difference to the society at large.



PRAMOUD RAO, Promoter & Managing Director

Pramoud Rao, Promoter & Managing Director of Zicom, is equipped with over 22 years of business experience and a graduation in Science. He is responsible for strategic planning, local and international partnerships, acquisitions, marketing & sales, technical and branding functions of Zicom. His vision is to make security solutions, technology driven and affordable so that every home and every office in India will "Feel Safe". He holds to his credit many National & International Honours.

MUKUL DESAI, Director

Mukul Desai has been on the Board of Directors of Zicom since 1996 and is also the Chairman of the Audit Committee. He is a Practicing Chartered Accountant since 1982 and has varied experience in the field of Audits & Taxation and developed expertise in Corporate Law matters, Direct and Indirect Taxation Laws, Corporate Finance Structuring, etc.

At present, Partner of M/s Sundarlal Desai and Kanodia, Chartered Accountants, he is responsible for looking after the overall conduct of audits and representations before tax authorities.



VIJAY KALANTRI, Director

Vijay Kalantri, G.C.D. and Diploma holder in textile is an industrialist with 40 years of experience. He has been actively involved with various industries and government bodies in different capacities like President of All India Association of Industries, Indian Council of Foreign Trade and other such prestigious institutions.

He has also served as a Director of many institutions such as the Maharashtra Small Scale Industries Development Corporation Limited, Dena Bank and Canara Bank. He has been honoured with various prestigious awards by Institutions and Organizations representing industry, government bodies and socio-economic institutions.

ACHYUT GODBOLE, Director

Achyut Godbole is a Chemical Engineer from IIT Mumbai with over 30 years of experience in the field of Software Development in India, UK and USA. He has worked with world-renowned companies like IBM, Hindustan Lever, L&T Infotech, to name a few, and has been awarded thrice by IBM World Trade Corporation for performance excellence.

He has been instrumental in designing ERP packages and implementing them in many companies across the world & awarded twice by the Prime Minister for excellent export performance of his Company, Softexcel Consultancy Services. He has also been awarded for his contribution to Information Technology and Music.



K. D. HODAVDEKAR, Director

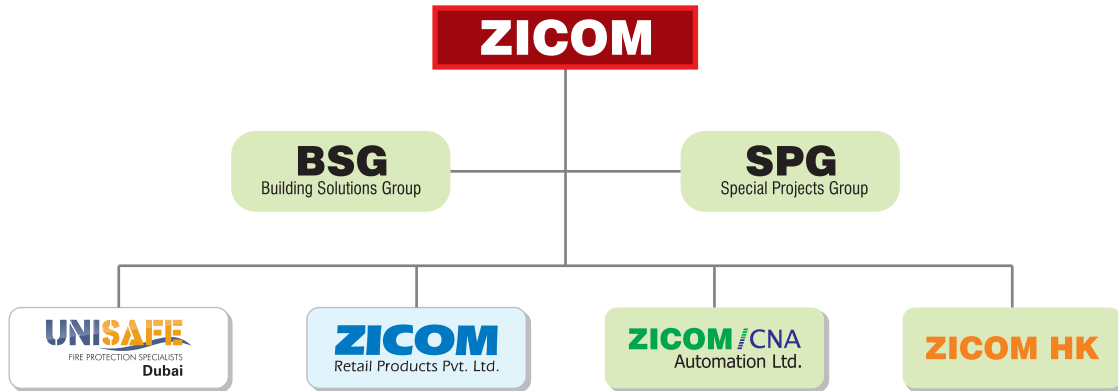
K. D. Hodavdekar, is a Certified Associate of Indian Institute of Bankers alongwith Masters in Commerce and Bachelors in Law from University of Mumbai. He is a Veteran Banker, with more than 33 years experience in varied areas like Banking, Finance and management, who retired from IDBI Bank Ltd. as a Chief General Manager. Formerly, he was Chief General Manager in-charge of United Western Bank's Strategic Business Unit, which was reorganized and merged in IDBI Bank in shortest possible time under his able leadership and guidance.

His specialisation includes project appraisal, project monitoring, corporate investments and resolution and management of NPAs. He has attended many national level and international training programs, seminars as participant and faculty.

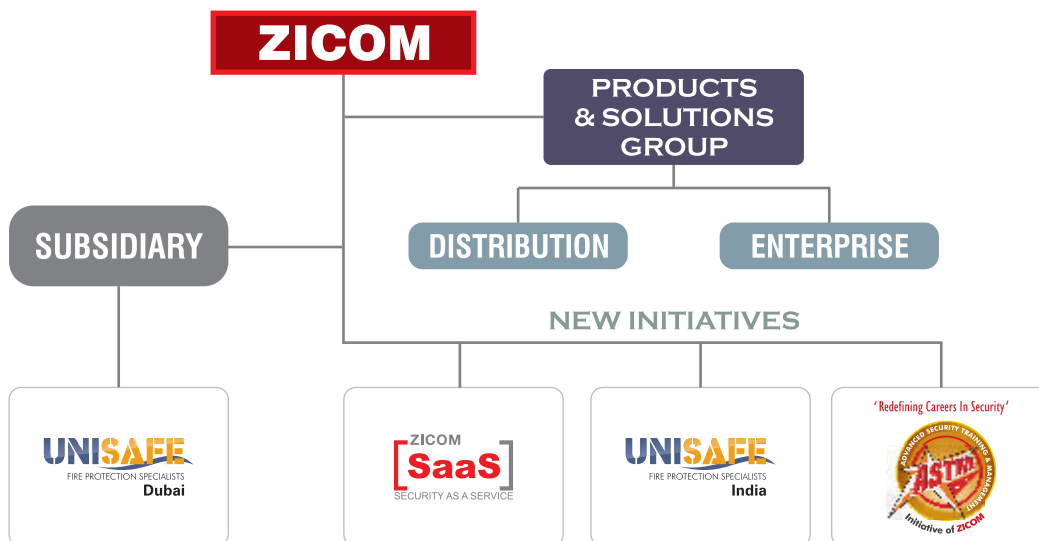


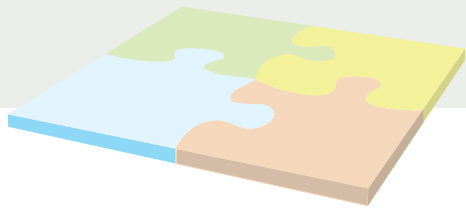
Feel Safe

Zicom Corporate Structure - 30th April, 2010



Zicom Corporate Structure - Under Construction





Growing With You, All Through...

Our Corporate Journey

The journey of Zicom started in 1994. During last 17 years we have built value for shareholders in the domain of Security and Safety.

To start with, we built project business of installation of Electronic Security Systems for corporate, banks, IT companies, industries and other clients clubbed under Building Solutions Group (BSG). Subsequently, with the growing demand from government and public sector establishments, we formed a niche group called Special Projects Group (SPG) to take up the challenges of security of vital public installation.

In 2006, we ventured into Retail by commencing security product distribution business through our owned retail outlets and channel partners to address the security need of Small Office Home Office (SOHO) market.

In 2007, we crossed the boundary to acquire Unisafe Fire Protection Specialists LLC, Dubai, a bold initiative. We quickly turned the company around to make it a leading Fire Detection and Protection company in the Middle East market. Today, Unisafe has built its niche in the fire protection industry for its specialised fire designing and implementation capabilities.

In 2010, Zicom built a business empire of 500 crores having presence across India, U.A.E., Oman and Qatar.

In April 2010, we divested part of our flagship business running under BSG and SPG to Schneider Electric India Private Limited. This has impacted operations of two subsidiaries viz. Zicom CNA Automation Limited and Zicom Manufacturing Co. (HK) Ltd. resulting in business of Zicom Retail and Unisafe Dubai as major continued business.

With this we have reached our first milestone on our journey of growth and prosperity.

In 2010-2011, Zicom embarked upon the restructuring process to create a new Winning Combination!

On September 30, 2010, we acquired, as a going concern on slump sale basis, the Retail Security Business of our wholly owned subsidiary Zicom Retail Products Private Limited and divested investments made in the said subsidiary.

As a part of our new initiative, we decided to launch Unisafe operations in India to address fire safety need of super speciality infrastructure coming up in the country. Also, looking at the great opportunities in the service sector, we moved on to promote Zicom SaaS Private Limited to offer managed security services.

Education is an upcoming industry in India. Zicom being the leader in Security took up responsibility to Redefine Careers in Security by imparting internationally accredited world class quality training and education in Security, Safety and Loss Prevention.

Zicom is also looking for inorganic growth through acquisitions in the domain of Safety and Security.





Feel Safe



Access Control & Time Attendance System



Fire Alarm System



Finger Print Lock



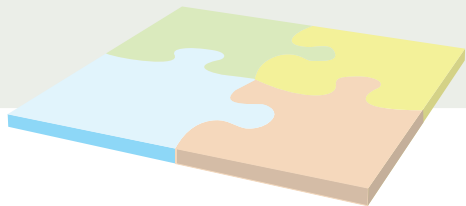
Fire Alarm System



Video Door Phone



CCTV Surveillance System



Products and Solutions Group (PSG)



Subsequent to sale of its Electronic Security Systems Business to Schneider, Zicom acquired the business of its wholly owned subsidiary Zicom Retail Products Private Limited and rechristened the Business Unit to Products and Solutions Group (PSG).

PSG has network of 18 branches across India with a dedicated workforce of 72.

PSG addresses the security needs of Consumer market through its unique Route-to-Market model which constitutes of Distribution Business, Small and Medium Enterprise (SME) focussed Business and Direct Sales targeting the Home Segment.

The Distribution Business Unit is chartered towards reaching every nook and corner of the country through the micro-distribution models that caters to Small Office Home Office (SOHO) and Small Medium Business (SMB) customers and has successfully added about 1000 Channel Partners in its portfolio. In its quest to provide wider options to Partners, Zicom has ventured into multi-brand distribution by partnering with prestigious brands like Honeywell, Pelco, Abloy, to name a few making Zicom the one-stop shop for every Entrepreneur in the business of Electronic Security.

The SME Focussed Business Unit is targeted towards reaching out to the more complex market needs that has long gestation periods between booking and billing cycles. This includes residential builders, national retail chain of stores with aggressive expansion plans, small scale industries, etc.

The Direct Sales team is passionate in reaching out to one market opportunity in Home Segment that can be termed as the "Sleeping Giant". Zicom is very confident that this one segment, when awakened, can bolster demand for Security products that can outshine all other market verticals in the country.

Backed by the expertise of providing security to several million homes and retail outlets in India, Zicom realized that India needs customized security solutions that are conducive to Indian environment and hence the manufacturing plant at Parwanoo, Himachal Pradesh, was conceptualized and established.

With a renewed focus on SME, Retail and Home Segment, Zicom will continue to dominate the market with high-tech state-of-the-art products manufactured in India targeting the B2C and B2B markets.

Zicom always believes in staying ahead thus making it the most preferred partner and the most preferred brand in the Security Industry among the end consumers.

Few of our product launches that gained the limelight this year included the new IP Camera called "Qube Camera". Designed on the globally acclaimed IP Surveillance platform, this camera aims to facilitate remote monitoring of office and home through Cell Phone or Laptop. The 1.3 megapixel, high definition CMOS Sensor, supports dual streaming formats such as MJPEG / MPEG4 dual codes, 3 GPP Streaming at speed of upto 30 fps. With the unique feature of Audio Recording, the Qube Camera is specially designed to record on a computer hard disk, thus giving an option of not purchasing a DVR as a storage device. These distinctive features make it an absolutely viable Security device for home and small retail outlets. The Progressive scan system of the Qube Camera ensures advanced Video Motion Detection and can be programmed with preset actions for scheduled or triggered event functionality.

In the Home Segment, the product that enthralled the consumers was the new 7" Video Door Phone – white and silver combination, sleek and classy that easily becomes an integral part of any well designed home. Attractively priced, this elegant Video Door Phone is now the fastest selling product in this segment.

Evaluating the current trends in the Builders Segment in terms of the home owners security threat perception and the Builders requirement to set his project apart from the rest, Zicom introduced a new range of Multi-Apartment Video Door Phones that have additional features of not only screening visitors but also protecting the premises against Burglary and Fire i.e. having additional features of Intrusion built into the system.

The SOHO Segment saw the introduction of the new Fingerprint Lock which was christened as "Elite". Equipped with an Optical sensor, it identifies and authenticates the fingerprint in less than 2 seconds. The Elite Fingerprint Lock has a USB Slot that enables it to download the entry / exit data along with time, thus assisting the SOHO Segment with data for attendance / scrutiny.



Feel Safe

Futuristic SaaS Control Room

