



Feel Safe

Celebrating



of keeping India Safe

Zicom Electronic Security Systems Ltd.
ANNUAL REPORT 2014-15

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take 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 ‘anticipate’, ‘estimate’, ‘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 we have been prudent in assumptions. The achievements of results are 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 keep 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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MISSION AND VISION



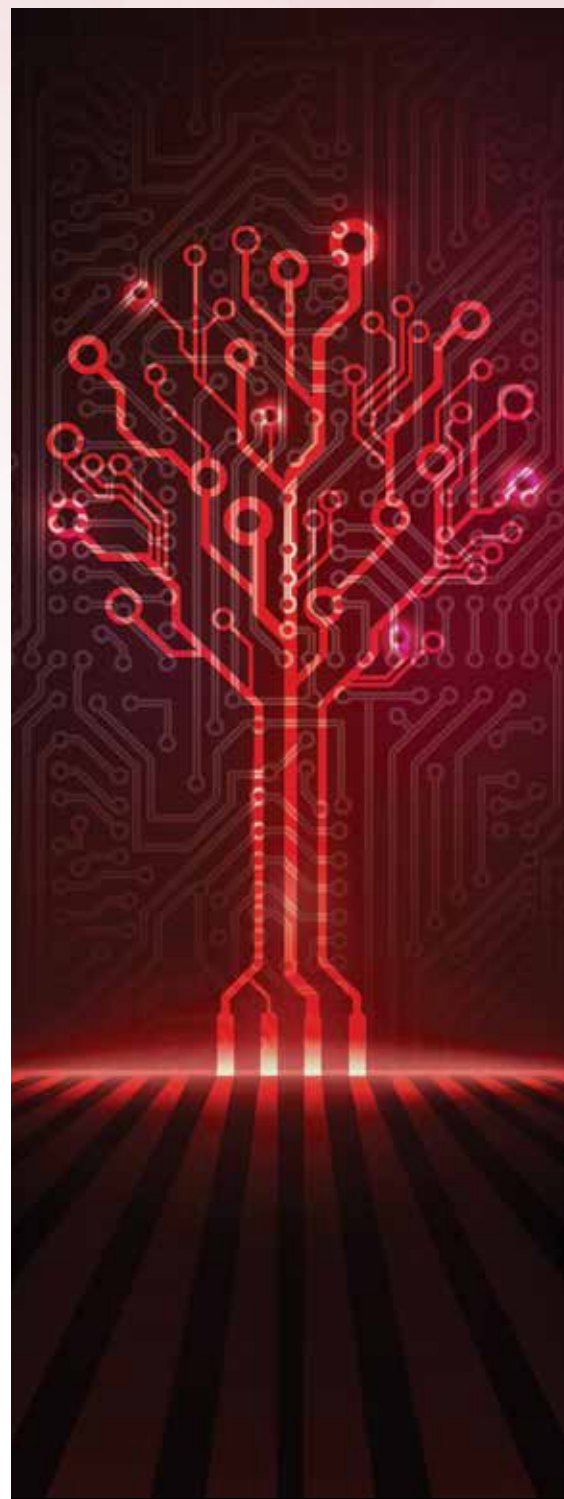
MISSION STATEMENT

Zicom is committed to providing safety to customers by consistently developing and delivering new technology with innovative products and one-stop solutions. We nurture our channel partners by providing profitable avenues for growth and fulfil the responsibilities towards our shareholders by achieving a steady growth in the shareholder's value. We aim to promote fair practices in all our dealings with employees and business partners.



VISION

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



CORPORATE OVERVIEW

Over the past 20 years, Zicom has emerged as one of India's largest, most prominent and geographically diverse security solutions provider. The brand name "Zicom" has become synonymous to Electronic Security Solutions in India. We are a pioneer and leader in providing comprehensive electronic security services and offering state-of-the-art customised security solutions

in India, as well as fire safety solutions to some of the most complex and also prestigious projects abroad.

With a simple vision of "To be the Company you Trust the most and To Protect what you Value the most", Zicom has been committed to ensuring that our customers lives and livelihoods are protected at all times.

We started out on this venture ahead of the industry curve in 1995, and today have transformed from supplying analogue camera systems to providing holistic electronic security solutions under one roof to our clients and have now emerged to be one of India's leading electronic security solutions providers. We also enhanced our service offering by venturing into Fire



Safety Solutions in the Middle East region thereby covering a majority of the security and safety gamut of the industry.

Our rich experience in the industry allows us to provide you with the latest innovations in the field at an affordable price. We keep upgrading our quality standards to ensure your safety.

Camera systems have traditionally been complex, challenging to use and costly. Zicom provides an easy to use, accessible and robust security solution and takes care of everything so the customer does not have to.

In 2012, we launched **e-SaaS** or “**electronic Security as a Service**”, to provide a much richer, enhanced, convenient, stress free, and affordable solution in electronic security surveillance for homes and enterprises. In e-SaaS, we leverage the power of internet and cloud based technologies to provide remote security surveillance management. With e-SaaS, we also offer Business Intelligence, Remote Alarm Monitoring, and also Energy Management solutions.

In its Fire Safety Business, your Company today with Unisafe Dubai and

Phoenix Qatar has become a dominant player in Fire Detection and Protection market in the Gulf region. The business environment in the Gulf region is improving rapidly due to strong investment in infrastructure. This will help both Unisafe Dubai and Phoenix Qatar to consolidate their position in GCC market and further boost revenue and profitability of business.



KEY MILESTONES



1994



1996



1998



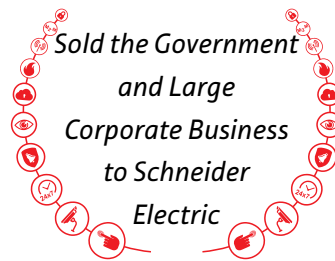
2006



2007



2008



2010



2010



2011



2012



2012



2013



2014



2015

AWARDS AND RECOGNITION

Zicom has demonstrated its excellence again this year by winning the following awards:

Most Innovative Brand in Electronic Security

We humbly accepted the acknowledgement given by the industry on our innovative concept of **SaaS (Security as a Service)** awarded by Inc India Innovative Awards.



*Best Application of Technology
Awarded by Inc India Innovative Awards*

Best Electronic Security Company

Our Positioning in the minds of the Indian consumers was well defined at **VAR India Star Nite Awards.**

The award is considered as the litmus test for the System Integrators for their initiatives and performance recognized by the different stakeholders and is given on the basis of the feedback received from the Vendors, VARs and channel partners as well as stakeholders concerned from all over the country.

Best Security Application in Retail

Post evaluation and customer reviews, Franchise India endorsed us as the **Best Security Application in the Retail** segment during **India Retail Congress** organised by Franchise India, the pioneer of franchise sector in India.

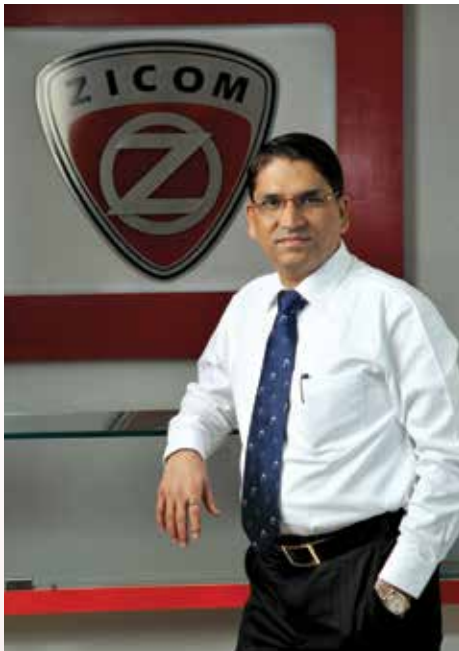
This is the biggest award for the retail industry which recognizes

the achievements of India's most successful retailers and brands across multiple categories in terms of business performance, customer experience, innovation and leadership in the retail sector.

Competitiveness Strategy Award

Proving ourselves by winning the **Competitiveness Strategy Award** was indeed a proud moment for us. 'The Mint-Institute for Competitiveness Strategy' award in the 'Computers and Electrical Appliances' segment recognizes and honours companies with best practices and unique business model that has changed the dynamics of Industry, they operate in. The Mint-Institute for Competitiveness Strategy awards similar to Porter Prize has provided a platform to award the Indian companies which are positively influencing their stakeholders and Zicom was one of them.

CHAIRMAN'S COMMUNIQUÉ



Manohar Bidaye

Dear Shareholders,

It gives me great pride to inform you that your company has completed 20 years of operations in 2015. The journey thus far has been an amazing one and let me tell you that we feel that it is only the beginning. We closed the financial year 2014-15 with continued strong consolidated revenue growth of 20% and profit growth of 21%. On a standalone basis, the company grew its revenues by 19% and profits by 38%.

With the turnaround in the Indian economy, security has seen a higher demand from businesses such as banks, airports and infrastructure projects. Considering that spending on manpower security, homeland security and equipment purchase by the government and private sector is expected to cross Rs 54,000 crore by 2016, Zicom is well poised to benefit; and to capture this market, we are looking to expand our network of channel partners from currently 2,000 to over 6,000 in the next few years.

Our fire safety solution businesses in the Middle East have seen good growth despite the slump in oil prices, although considering the current economic scenario, we are cautious in our approach of taking on new projects. Our focus in our international businesses is to improve profitability and reduce working capital. In line with this, we have received approval from the Ministry of Civil Defense in UAE to market fire protection products under the brand Unisafe in the region and our greenfield assembly plant should

be commissioned before the end of calendar year 2015, which will allow us to use our own products in fire safety installations, as well as market them to other contractors in the region. In conclusion, I am proud of the tremendous progress we as a company have made in the last 20 years. For this success, I have to thank our dedicated employees, channel partners and our stakeholders, for their continued support, loyalty and confidence entrusted upon us, without whom this journey would not have been possible. I assure you our relentless focus and hard work for many years to come.

Manohar Bidaye
Chairman

MD'S COMMUNIQUÉ

Dear Shareholders,

Zicom has been the pioneer in the electronic security industry in India. In 1994, Zicom was the first company in India to launch electronic security solutions. In 1995, we launched the first Central Monitoring Station (CMS) in the country. Although, we faced challenging times in the past 20 years to create awareness about security solutions and their importance, having a first mover advantage in this industry has given us good insight into the security needs of the Indian consumer and these lessons learnt and efforts spent are now reaping rich dividends for the company.

The new buzzword in the industry today is 'Internet of Things' in which automated smart devices that are connected to the internet have improved efficiency compared to traditional systems. Similarly, Zicom has upgraded its traditional video surveillance offerings to provide dramatically increased capabilities, effectiveness, and return on

investment. Our Zicom Security as a Service (SaaS) vertical was launched in 2012, and has already achieved over 15,000 installations across the country today. Under this vertical, we provide remote monitoring services through our 24/7 Zicom Command Centre, and also offer other video analytics services like e-Count which offers footfall solutions for retail stores such as McDonalds and Blackberry, remote fire and intruder alarm monitoring services. We have also recently started e-Track services through which we offer location tracking and monitoring services of children for schools and parents.

To keep ahead of the curve, we are also shifting focus from ensuring the best product for the customer to ensuring the best experience and service for the customer. Through the soon to be launched 'Zicom Care', we will be able to connect to and provide all of India with our security services irrespective of the hardware device. Our strategy is clear, to achieve higher levels of customer satisfaction through the brand they trust the most - Zicom.



Pramoud Rao

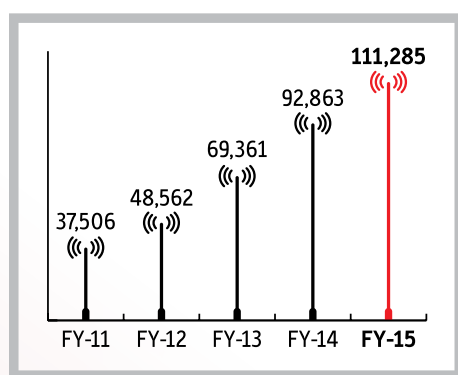
In conclusion, we are very excited and confident about the future growth prospects of our company, we believe we are better placed today than anyone else to capture this opportunity. I believe what we are building today will see longer lasting relationships and improved profitability in the future.

Pramoud Rao
Managing Director

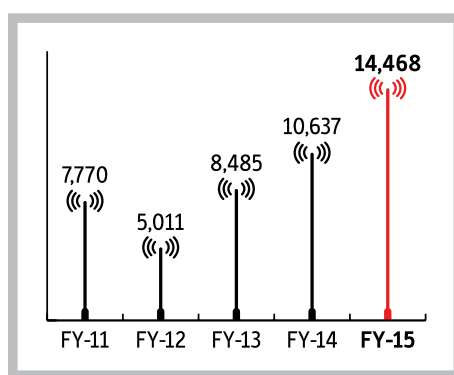
FINANCIAL HIGHLIGHTS

CONSOLIDATED

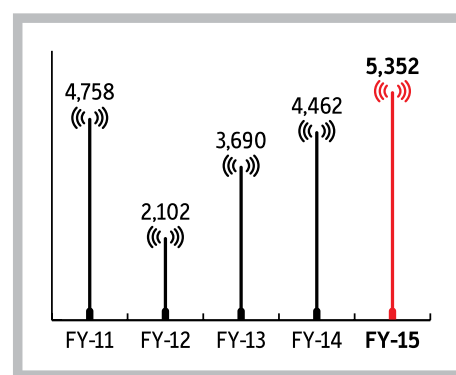
Revenue (INR Lakhs)



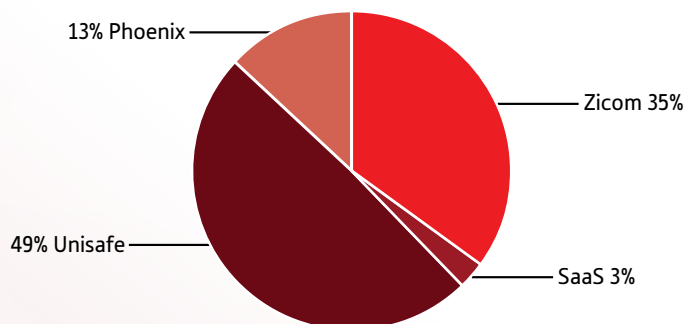
EBITDA (INR Lakhs)



PAT (INR Lakhs)

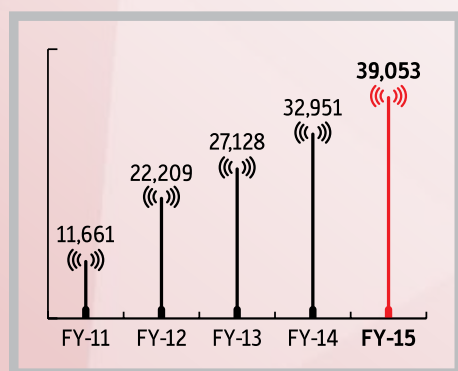


FY15 SHARE OF REVENUE FROM SUBSIDIARIES

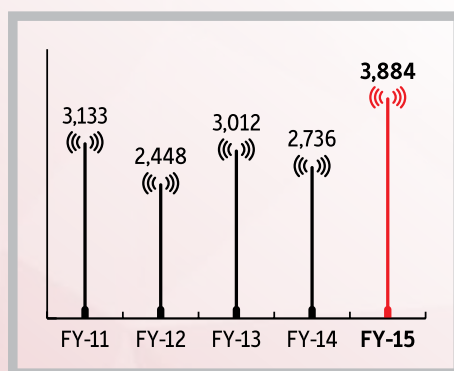


STANDALONE

Revenue (INR Lakhs)



EBITDA (INR Lakhs)



PAT (INR Lakhs)

