Feel Safe

Zicom Electronic Security Systems Ltd.
501, Silver Metropolis,
Western Express Highway,
Goregaon (E), Mumbai - 400 063.
Tel.: +91 22 4290 4290
Fax.: + 91 22 4290 4291
www.zicom.com
Toll Free: 1-800-270-4567
CIN : L32109MH1994PLC083391

September 30, 2014

The Manager
Listing Department,
National Stock Exchange of India Ltd.
'Exchange Plaza', C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400051.

Fax No. 26598237 / 26598238

Stock Code - ZICOM

Ref: ISIN INE 871B01014

Dear Sir / Madam,

Sub: **Proceedings of Annual General Meeting of the Company**

As required under Clause 31(d) of the Listing Agreement, enclosed herewith is copy of the proceedings of the 20th Annual General Meeting of the Company held on September 5, 2014, for your ready reference.

Kindly acknowledge receipt of the same.

Thanking you,

Yours faithfully,
For **Zicom Electronic Security Systems Limited**

K. Trivedi

Kunjan Trivedi
Company Secretary

Encl: as above

HELD AT M.I.G. Cricket Club, Bandra East ON 05/09/2014 TIME 3.00 p.m.

MINUTES OF THE 20TH ANNUAL GENERAL MEETING OF ZICOM ELECTRONIC SECURITY SYSTEMS LIMITED HELD ON FRIDAY, 5TH SEPTEMBER, 2014, AT 3.00 P.M., AT M.I.G. CRICKET CLUB, M.I.G. COLONY, BANDRA (EAST), MUMBAI 400051

PRESENT:

1. Mr. Manohar Bidaye – Chairman & Member
2. Mr. Pramoud Rao – Managing Director & Member
3. Mr. Venu Raman Kumar – Director & Member
4. Mr. Mukul Desai – Director & Chairman of Audit Committee
5. Mr. Prabhakar Dalal – Director
6. Mr. K. D. Hodavdekar – Director
7. Mr. Vijay Kalantri – Director
8. Mr. D. Ravishankar – Representative of Statutory Auditors

And 66 other Members were present in person / by proxy / through authorized representatives.

1. INTRODUCTION:

Mr. Pramoud Rao, Managing Director of the Company, greeted all the Members present and introduced the other Board Members sitting on dias. He briefed the Members about Mr. Prabhakar Dalal, Additional Director appointed by the Board, who was also present at the Meeting. He then requested Mr. Manohar Bidaye, Chairman to take the Chair and preside over the Meeting.

Mr. Manohar Bidaye, Chairman, took the Chair. As the time was past 3.00 p.m., the Chairman ascertained that the necessary quorum was present; and declared the Meeting to order. He then commenced the proceedings.

2. READING OF NOTICE, REPORTS OF DIRECTORS AND AUDITORS:

The Chairman announced that 10 representations and 8 valid proxies aggregating for 63,63,021 Equity Shares were received and the Register of Directors' and Key Managerial Personnel and their shareholding and Register of Contracts in which Directors are interested were placed before the Meeting. Also, as required under the provisions of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme), 1999, the Certificate from Auditors of the Company was available to the Members for inspection.

With the consent of the Members present, the Notice convening the Twentieth Annual General Meeting and the Directors' Report were taken as read.

3. CHAIRMAN'S SPEECH:

The Chairman then addressed the Members present, on the progress made by the Company during the financial year ended March 31, 2014, in which he informed the Members about performance of the Company and various subsidiaries, in the financial year ended March 31, 2014 and their prospects in the year 2014-15, with specific focus on Unisafe Fire Protection Specialists LLC, Dubai and e-SaaS model of Zicom SaaS Private Limited.

On invitation of the Chairman, several Members came forward with their questions / suggestions on the Company's accounts, working and businesses, which were satisfactorily replied / attended by the Chairman.

CHAIRMAN'S INITIALS

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HELD AT M.I.G. Cricket Club, Bandra East ON 05/09/2014 TIME 3.00 p.m.

4. e-VOTING FACILITY AND POLL:

The Chairman informed the Members that in compliance with Clause 35B of the Listing Agreement with the Stock Exchanges, provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company had extended e-voting facility to its Members in respect of businesses to be transacted at the Annual General Meeting. He further informed that the e-voting period commenced on August 30, 2014 at 9:30 a.m. and ended on September 1, 2014 at 6:00 p.m. Mr. Sanjay Dholakia, Company Secretary in Practice, who was appointed as the Scrutinizer by the Board for scrutinizing the e-voting process, had submitted his Report of the e-voting.

Based on the Report submitted by the Scrutinizer, total 34 equity shareholders holding 47,54,925 Equity Shares had casted their votes, which amounted to 27.02% of Paid-up Equity Share Capital of the Company, all of whom had voted in favour of all the 10 Resolutions.

The Chairman apprised the Members of relevant provisions of the Companies Act, 2013 read with Clause 35B of the Listing Agreement and recent General Circular in this regard by the Ministry of Corporate Affairs and Securities and Exchange Board of India, relating to voting at a General Meeting, through e-voting and conduct of Annual General Meeting by Chairman, including that of ordering a poll on resolutions. With a view to provide opportunity to those Members who could note vote electronically, the Chairman ordered poll on all the 10 Resolutions proposed at the Meeting and informed that, the Company has arranged for a poll. The Chairman appointed Mr. Sanjay Dholakia, Company Secretary in Practice, as the Scrutinizer for the poll process and requested him, Ms. Kunjan Trivedi, Company Secretary and the Registrar and Transfer Agents of the Company for an orderly conduct of poll. Thereafter, all the 10 Resolutions were proposed and seconded.

The Chairman announced that the combined result of e-voting and the poll will be put on the Company's website.

5. APPROVAL OF FINANCIAL STATEMENTS (STANDALONE AND CONSOLIDATED) FOR THE YEAR ENDED MARCH 31, 2014:

The Chairman then took up **Item No. 1** of the Notice, i.e. regarding approval of Financial Statements for the year ended March 31, 2014.

Mr. Vinod Agarwal proposed the following ORDINARY RESOLUTION which was seconded by Mr. Ravindra Patange:

"**RESOLVED THAT** the financial statements of the Company on standalone basis, comprising Balance Sheet as at March 31, 2014, Statement of Profit and Loss for the year ended on March 31, 2014, together with the Notes forming part thereof, the Cash Flow Statement for the year ended March 31, 2014 and the Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended March 31, 2014; the Auditors' Report thereon, the Directors' Report alongwith the Management Discussion and Analysis Report and Corporate Governance Report placed before this meeting, be and are hereby approved and adopted."

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6. DECLARATION OF DIVIDEND:

The Chairman then took up **Item No. 2** of the Notice, i.e. regarding declaration of Dividend recommended by the Board of Directors.

Mrs. Lekha Shah proposed the following ORDINARY RESOLUTION which was seconded by Mr. Aspi Bhesania:

"**RESOLVED THAT** the Dividend at ₹ 1.20 per share on 1,75,99,829 Equity Shares of the Company of ₹ 10/- each (i.e. @ 12%), for the year ended March 31, 2014, amounting to ₹ 2,11,19,795/- as recommended by the Board of Directors of the Company be and is hereby declared."

As Mr. Manohar Bidaye was interested in Item No. 3 of the Notice, Mr. Manohar Bidaye, Chairman, requested Mr. Pramoud Rao to take the Chair in respect of the matter.

Mr. Pramoud Rao took the Chair.

7. RE-APPOINTMENT OF MR. MANOHAR BIDAYE AS DIRECTOR:

The Chairman then took up **Item No. 3** of the Notice, relating to re-appointment of Mr. Manohar Bidaye as Director of the Company liable to retire by rotation.

Mr. Naresh Kachalia proposed the following ORDINARY RESOLUTION which was seconded by Mr. Bharat M. Shah:

"**RESOLVED THAT** Mr. Manohar Bidaye (DIN: 00010699) who retires by rotation and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

Mr. Pramoud Rao then requested Mr. Manohar Bidaye to take the Chair and proceed with the remaining Items of the Notice.

Mr. Manohar Bidaye thanked Mr. Pramoud Rao and took the Chair.

8. RE-APPOINTMENT OF STATUTORY AUDITORS:

The Chairman then took up **Item No. 4** of the Notice, relating to re-appointment of Statutory Auditors of the Company.

Mr. Suhas D. Jhaveri proposed the following ORDINARY RESOLUTION which was seconded by Mr. Bosco Menezes:

"**RESOLVED THAT** M/s. Shyam Malpani & Associates, Chartered Accountants, Mumbai, bearing Firm Registration No. 120438W, the retiring Statutory Auditors of the Company, be and are hereby re-appointed as the Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting, on a remuneration (including terms of payment) to be fixed by the Board of Directors / Audit Committee of the Company, plus service tax and such other tax(es), as may be applicable, and reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company."

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9. APPOINTMENT OF MR. PRABHAKAR DALAL AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

The Chairman then took up **Item No. 5** of the Notice, relating to appointment of Mr. Prabhakar Dalal as an Independent Director of the Company to hold office upto June 26, 2016.

Mr. Shishir Tanna proposed the following ORDINARY RESOLUTION which was seconded by Mrs. Rekha Patange:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and Clause 49 of the Listing Agreement, Mr. Prabhakar Dalal (DIN: 00544948), an Additional Director of the Company appointed by the Board of Directors, with effect from June 27, 2014, who has submitted the declaration that he meets the criteria for independence as provided in Section 149(6) of the said Act, and who holds the office until the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013; and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, to hold the office upto June 26, 2016 AND THAT he shall not be liable to retire by rotation."

10. APPOINTMENT OF MR. K. D. HODAVDEKAR AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

The Chairman then took up **Item No. 6** of the Notice, relating to appointment of Mr. K. D. Hodavdekar as an Independent Director of the Company to hold office upto March 31, 2016.

Mr. Yusuf Rangwala proposed the following ORDINARY RESOLUTION which was seconded by Mr. Kirti Shah:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and Clause 49 of the Listing Agreement, Mr. K. D. Hodavdekar (DIN: 00406556), a Director of the Company, liable to retire by rotation and whose term expires at this Annual General Meeting, who has submitted the declaration that he meets the criteria for independence as provided in Section 149(6) of the said Act; and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold the office upto March 31, 2016 AND THAT he shall not be liable to retire by rotation."

11. APPOINTMENT OF MR. MUKUL DESAI AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

The Chairman then took up **Item No. 7** of the Notice, relating to appointment of Mr. Mukul Desai as an Independent Director of the Company to hold office upto March 31, 2019.

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Mrs. Mascarenhas proposed the following ORDINARY RESOLUTION which was seconded by Mr. Vinod Agarwal:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and Clause 49 of the Listing Agreement, Mr. Mukul Desai (DIN: 00015126), a Director of the Company liable to retire by rotation, who has submitted the declaration that he meets the criteria for independence as provided in Section 149(6) of the said Act; and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold the office upto March 31, 2019 AND THAT he shall not be liable to retire by rotation."

12. <u>APPOINTMENT OF MR. VIJAY KALANTRI AS AN INDEPENDENT DIRECTOR OF THE COMPANY:</u>

The Chairman then took up **Item No. 8** of the Notice, relating to appointment of Mr. Vijay Kalantri as an Independent Director of the Company to hold office upto March 31, 2016.

Mr. Sukumar Bindage proposed the following ORDINARY RESOLUTION which was seconded by Mr. Naresh Minawala:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and Clause 49 of the Listing Agreement, Mr. Vijay Kalantri (DIN: 00019510), a Director of the Company liable to retire by rotation, who has submitted the declaration that he meets the criteria for independence as provided in Section 149(6) of the said Act; and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold the office upto March 31, 2016 AND THAT he shall not be liable to retire by rotation."

13. <u>TO CREATE SECURITY ON THE ASSETS AND PROPERTIES OF THE COMPANY U/S 180(1)(a) OF THE COMPANIES ACT, 2013:</u>

The Chairman then took up **Item No. 9** of the Notice, relating to creation of security on the assets and properties of the Company under Section 180(1)(a) of the Companies Act, 2013.

Mr. Ravindra Patange proposed the following SPECIAL RESOLUTION which was seconded by Mr. Bharat Shah:

"**RESOLVED THAT** in supersession of the earlier Ordinary Resolution passed by the Members under Section 293(1)(a) of the Companies Act, 1956, at their Extraordinary General Meeting held on March 11, 2011; and pursuant to provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as 'the Act' which expression shall include any statutory modification(s) or re-enactment(s) thereof for the time being in force),

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provisions of the other applicable statues, laws, rules, regulations, guidelines and scheme, and subject to approval of appropriate Authorities, as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee of Directors for the time being authorized by the Board of Directors to exercise the powers conferred on the Board by this resolution) to mortgage and / or create charge, in addition to the mortgages / charges created / to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable, immovable or any other type and kinds of properties and assets and / or rights of the Company (whether tangible or intangible), in favour of the Lender(s) / Agent(s) and / or Trustee(s) or other appropriate authorities / persons, for securing the borrowings of the Company availed / to be availed in any form or manner, in foreign currency and / or rupee currency, by way of term loan and other loan(s), cash credit, overdraft, commercial papers, advances, deposits, bill discounting, deferred payment credits, guarantees, Debentures, Securities, Bonds or other debt instruments, external commercial borrowings (comprising Fully / Partly Convertible and / or Non-Convertible, with or without detachable or non-detachable Warrants and / or Secured Premium Notes and / or Floating Rates Notes / Bonds or other debt instruments), or by way of any other permitted mode of borrowings, whether convertible or not; issued / to be issued by the Company, from time to time, subject to the limits approved by the Members under Section 180(1)(c) of the Companies Act, 2013 and other time to time applicable provisions, if any, of the said Act; together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s) / Trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other moneys payable by the Company in terms of the Loan Agreement(s), Debenture Trust Deed(s) or any other document(s) entered into / to be entered into between the Company and the Lender(s) / Agent(s) and / or Trustee(s), in respect of the said loans / borrowings / debentures and containing such specific terms and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the Lender(s) / Agent(s) and / or Trustee(s), in respect of the said loans / borrowings / debentures and containing such specific terms and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s) / Agent(s) and / or Trustee(s) / other appropriate authorities / person(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required (including deciding the terms and conditions of securing the borrowings), to delegate all or any of the powers on it to any Committee of Directors, or any Director or any other Officer or Agent or Representative of the Company; and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, matter, difficulty or doubt that may arise in this regard."

14. <u>TO BORROW MONEY IN EXCESS OF THE PAID-UP CAPITAL AND FREE RESERVES OF THE COMPANY U/S 180(1)(c) OF THE COMPANIES ACT, 2013:</u>

The Chairman then took up **Item No. 10** of the Notice, relating to borrowing of money in excess of the paid-up share capital and free reserves of the Company under Section 180(1)(c) of the Companies Act, 2013.

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Mrs. Smita Shah proposed the following SPECIAL RESOLUTION which was seconded by Mr. Behram Adi Mehta:

"RESOLVED THAT in supersession of the Ordinary Resolution passed by the Members under Section 293(1)(d) of the Companies Act, 1956, through Postal Ballot, results of which were declared on April 30, 2007; and pursuant to provision of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as 'the Act' which expression shall include any statutory modification(s) or re-enactment(s) thereof for the time being in force), provisions of the other applicable statues, laws, rules, regulations, guidelines and scheme, and subject to approval of appropriate Authorities, as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee of Directors for the time being authorized by the Board of Directors to exercise the powers conferred on the Board by this resolution), to borrow and raise money from time to time, from any one or more Banks, Individuals, Persons, Firms, Bodies Corporate or Financial Institutions, Mutual Funds, Foreign Bankers, Foreign Financial Institutions, Foreign Institutional Investors, Overseas Corporate Bodies, Overseas Mutual Funds, Pension Funds, Gratuity Funds, Hedge Funds, or any other Funds, Trusts, Institutions, Bodies, entities or persons, whether incorporated or not and whether Indian and Foreign, and whether by way of cash credit, term loans, advances, commercial papers, deposits, loans or bill discounting, deferred payment credits, guarantees, issue of debentures, Bonds or other debt instruments, external commercial borrowings (comprising Fully / Partly Convertible and / or Non-Convertible, with or without detachable or non-detachable Warrants and / or Secured Premium Notes and / or Floating Rates Notes / Bonds or other debt instruments) or by way of any other permitted mode of borrowings, whether convertible or not; and whether unsecured or secured by mortgage, charge, hypothecation, lien, pledge or any other kind of security created on the assets and / or properties of the Company, or of any other person(s) or individual(s), whether immovable or movable, tangible or intangible, or stock-in-trade (including raw materials, spare parts and components in stock or in transit and work-in-progress), or by any kind of guarantees and all or any of the undertakings of the Company or of any other person(s) or individual(s), notwithstanding that the moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up share capital of the Company and its free reserves, so that the total amount up to which the moneys may be borrowed by the Company and outstanding at any time shall not exceed the sum of ₹ 500,00,00,000/- (Rupees Five Hundred Crores only), exclusive of interest and other charges on such borrowings AND THAT the Board of Directors be and is hereby further authorised to execute such debenture trust deeds and / or mortgage, charge, hypothecation, lien, guarantees / assurance deeds and other deeds, promissory notes, deposit receipts, loan or security documents, agreements, instruments, receipts or writings containing such conditions and covenants as the Directors may think fit.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to finalise, settle and execute such documents and deeds, writings, papers, agreements as may be required (including deciding the terms and conditions of the borrowings and utilization of the funds so borrowed), to delegate all or any of the powers conferred on it to any Committee of Directors or any Director or any other officer(s) or agent or representative of the Company; and to do all such acts, deeds, matters and things as it may in its absolute discretion deemed necessary, proper or desirable, and to settle any or all questions / matters that may arise in this regard."

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HELD AT M.I.G. Cricket Club, Bandra East ON 05/09/2014 TIME 3.00 p.m.

15. VOTE OF THANKS:

There being no other matter to be discussed, the meeting was terminated with a vote of thanks to the Chair proposed by Mr. Mukul Desai.

Date: September 11, 2014

CHAIRMAN

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