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Feel Safe

February 11, 2015

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 Extraordinary General Meeting of the Company**

As required under Clause 31(d) of the Listing Agreement, enclosed herewith is copy of the proceedings of the Extraordinary General Meeting of the Company held on January 16, 2015, for your ready reference.

Kindly acknowledge receipt of the same.

Thanking you,

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

Kunjan Trivedi
Company Secretary

Encl: as above

HELD AT MCA Recreation Centre, Bandra E ON 16/01/2015 TIME 10.30a.m.

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF ZICOM ELECTRONIC SECURITY SYSTEMS LIMITED HELD ON FRIDAY, 16TH JANUARY, 2015, AT 10.30 A.M., AT MUMBAI CRICKET ASSOCIATION RECREATION CENTRE, RG – 2, G – BLOCK, NEAR LAXMI TOWER, BANDRA KURLA COMPLEX, 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. Prabhakar Dalal – Director
5. Mr. K. D. Hodavdekar – Director

And 57 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 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 10.30 a.m., the Chairman ascertained that the necessary quorum was present; and declared the Meeting to order and commenced the proceedings.

2. READING OF NOTICE:

The Chairman announced that 9 representations and 6 valid proxies aggregating for 62,44,759 Equity Shares were received and the Register of Proxy and Certificate from the Auditors of the Company on compliance with SEBI Guidelines for Preferential Issue and all other documents meant for inspection by the members as mentioned in the Notice of this meeting and the relevant statement pursuant to Section 102 of the Companies Act, 2013, were available to the Members for inspection.

With the consent of the Members present, the Notice convening the Extraordinary General Meeting was taken as read.

On invitation of the Chairman, several Members came forward with their questions and queries relating to the proposed preferential issue to various entities, which were satisfactorily replied / attended by the Chairman.

3. 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 Extraordinary General Meeting. He further informed that the e-voting period commenced on January 10, 2015 at 9:30 a.m. and ended on January 12, 2015 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.

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Based on the Report submitted by the Scrutinizer, total 40 equity shareholders holding 53,49,969 Equity Shares had casted their votes, which amounted to 30.40% of Paid-up Equity Share Capital of the Company, wherein all the shareholders had voted in favour of Resolution No. 1; and except 2 shareholders holding 450 Equity shares who voted against the Resolution No. 2 and 3, all the remaining shareholders voted in favour of Resolution Nos. 2 and 3.

The Chairman apprised the Members of relevant provisions of the Companies Act, 2013 read with Clause 35B of the Listing Agreement and recent General Circulars 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 General Meeting by Chairman, including that of ordering a poll on resolutions. With a view to provide opportunity to those Members who could not vote electronically, the Chairman suo-moto ordered poll on all the 3 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 authorized representatives from the Registrar and Transfer Agents of the Company for an orderly conduct of Poll. Thereafter, all the 3 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.

4. <u>INCREASE THE LIMIT OF INVESTMENTS IN THE COMPANY'S SHARES AND SECURITIES BY NON-RESIDENT INDIAN (NRIS) / PERSONS OF INDIAN ORIGIN (PIOS) UPTO 24%:</u>

The Chairman then took up **Item No. 1** of the Notice, i.e. increase the limit of Investments in the Company's shares and securities by Non-Resident Indian (NRIs) / Persons of Indian Origin (PIOs) upto 24% of paid-up Share Capital / value of other permissible securities of the Company.

Mr. Zahur Maniar proposed the following SPECIAL RESOLUTION which was seconded by Mr. H. P. Kotwani:

"**RESOLVED THAT** pursuant to the applicable provisions of Foreign Exchange Management Act, 1999 ("FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended (the "FEMA Regulations") and all other applicable acts, laws, rules, regulations, circulars, directions, notifications, press releases, press notes and guidelines issued / to be issued from time to time by the Reserve Bank of India ("RBI") and / or other appropriate authorities (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to such consents, approvals, permissions or sanctions as may be required from appropriate authorities under any legislations, rules, regulations and guidelines and also subject to such conditions and modifications as may be prescribed or imposed by any one or more of them while granting any such approvals, consents, permissions or sanctions and as agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of Directors which the Board may have constituted or may hereinafter constitute to exercise its powers including powers conferred on the Board by this Resolution), consent and approval of the Members of the Company be and is hereby accorded for investments by Non-Residents Indians / Persons of Indian Origin ("NRIs / PIOs") in the Equity Capital or any other permitted

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securities of the Company, by way of purchase / acquisition from the market under the Portfolio Investment Scheme or any such other relevant and permitted scheme, on repatriation basis or otherwise, subject to the condition that all such investments, together with their existing holdings shall not exceed, in aggregate, 24% of the paid-up Equity Share Capital or 24% of the total paid-up value of each of other permissible securities of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto including intimating the concerned authorities or other regulatory bodies and accepting / carrying out any alterations, modifications or variations to this Resolution as may be directed / suggested by such authorities / bodies and delegating all or any of the power conferred herein to any Committee or Directors of the Company."

5. **ISUUE AND ALLOTMENT OF 26,00,000 EQUITY SHARES ON PREFERENTIAL / PRIVATE PLACEMENT BASIS TO NON-PROMOTER PERSONS / ENTITIES:**

The Chairman then took up **Item No. 2** of the Notice, i.e. issue and allotment of upto 26,00,000 Equity Shares on preferential / private placement basis to Non-Promoters persons / entities under Section 62 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, read with Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

Mrs. Smitha Shah proposed the following SPECIAL RESOLUTION which was seconded by Mr. Dinesh Bhatia:

"**RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and other Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as "the Act") and in accordance with the applicable provisions of the rules, regulations, guidelines, notifications, circulars and clarifications issued by the Securities and Exchange Board of India ("SEBI") including SEBI's Preferential Issue Guidelines, i.e. Chapter VII of the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the "SEBI ICDR Regulations"), the Reserve Bank of India ("RBI"), applicable statutory provisions of Foreign Exchange Management Act, 1999 (the "FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended (the "FEMA Regulations") and rules, regulations, guidelines, notifications, circulars and clarifications made or issued thereunder; and other applicable statutory provisions, enabling provisions of the Memorandum and Articles of Association of the Company, Listing Agreement entered into with Stock Exchange(s) on which the securities of the Company are listed (collectively the "Stock Exchanges") and subject to such consents, approvals, permissions or sanctions as may be required from appropriate authorities under any legislations, rules, regulations and guidelines for the time being in force, and subject to such conditions and modifications as may be prescribed or imposed by any one or more of them while granting any such approvals, consents, permissions or sanctions and as agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of Directors which the Board may have constituted or may hereinafter constitute to exercise its

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powers including powers conferred on the Board by this Resolution), consent and approval of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches, on preferential / private placement basis, through offer letter and / or such other documents / writings; upto 26,00,000 (Twenty Six Lakhs) Equity Shares ("Equity Shares") of Rs.10/- (Rupees Ten only) each of the Company for cash, at a price calculated in accordance with SEBI ICDR Regulations for preferential allotment and relevant guidelines under FEMA and of RBI (as may be applicable) for pricing of such issues, subject to a minimum price of Rs. 160/- (Rupees One Hundred Sixty only) per Equity Share ("Share Price"), i.e. at a premium of Rs. 150/- (Rupees One Hundred Fifty only) per Equity Share, to such persons / entities (collectively the "Proposed Allottees") in the proportion as is set out below, and on such other terms and conditions and in such manner as given herein below, in the annexed Statement pursuant to Section 102 of the Act, and as the Board may determine in its absolute discretion:

Sr. No.	Name of Proposed Allottees	Maximum No. of Equity Shares to be allotted
1	Mr. Atim Kabra	10,40,850
2	Frontline Strategy Limited	2,59,150
3	Mr. Arvind Darab Dubash	6,50,000
4	Mrs. Sudha Darab Dubash	6,50,000
	Total	**26,00,000**

RESOLVED FURTHER THAT the Equity Shares to be issued by the Company shall be on the following terms and conditions:

(1) the Equity Shares shall be governed by the applicable provisions of the Act, the Memorandum and Articles of Association of the Company and also the applicable guidelines issued by SEBI, RBI or any other appropriate authority as the case may be, or any modifications thereof;

(2) the Equity Shares on issue and allotment, shall rank pari passu in all respects with the existing equity shares of the Company, including for dividend entitlement;

(3) the relevant date for the purpose of determining the price of the Equity Shares in accordance with the SEBI ICDR Regulations be fixed as December 17, 2014, being thirty (30) days prior to the date of this Extraordinary General Meeting scheduled to be held on January 16, 2015;

(4) the Equity Shares and also the entire pre-preferential equity shares held, if any, by the Proposed Allottees, shall be subject to such lock-in as prescribed under the SEBI ICDR Regulations;

(5) the offer, issue and allotment of the Equity Shares shall be made at such time or times, as the Board or any duly authorized Committee of Directors may in its absolute discretion decide, but not later than fifteen (15) days from the date of passing of this Resolution, or within such extended time as any appropriate authority may prescribe or allow (subject to the provisions of the SEBI ICDR Regulations);

(6) the price per Equity Share and / or if required their number shall be appropriately adjusted, subject to the provisions of the Act, FEMA and FEMA Regulations, SEBI ICDR Regulations and RBI Guidelines, and other applicable legislations, rules, regulations and guidelines; for corporate actions such as sub-division or consolidation of shares, bonus issue, rights issue, merger, demerger, sale / transfer of a division / undertaking or any such capital or corporate restructuring.

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RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to take all necessary steps to settle any question, difficulty or doubt that may arise from time to time in regard to the offer, issue and allotment of the Equity Shares to the Proposed Allottees, their pricing and the relevant date for determining the pricing and listing of the Equity Shares and to do all the acts, deeds, matters and things and to finalise and to execute all necessary documents, papers, agreements, deeds, listing and other applications and writings as may be necessary, desirable or expedient as it may deem fit and in the interest of the Company, without being required to seek any further consent or approval of the Members of the Company, decide and approve the other terms and conditions of the issue of the said Equity Shares, or to modify any of them, or reducing the size of the issue or cancelling the issue, or utilization of the proceeds of the issue; subject however to compliance with the provisions of all applicable laws, guidelines, notifications, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this Resolution, to any Director(s) or any Committee of Directors or any other employee(s) or officer(s) or agent(s) of the Company (as it may consider appropriate) to give effect to this Resolution."

As Mr. Manohar Bidaye and Mr. Pramoud Rao were interested in Item No. 3 of the Notice, Mr. Manohar Bidaye, Chairman, requested Mr. V. Raman Kumar to take the Chair in respect of the matter.

Mr. V. Raman Kumar took the Chair.

6. <u>ISUUE AND ALLOTMENT OF 10,50,000 WARRANTS ON PREFERENTIAL / PRIVATE PLACEMENT BASIS TO PROMOTERS' GROUP COMPANIES:</u>

The Chairman then took up **Item No. 3** of the Notice, relating to issue and allotment of upto 10,50,000 Warrants, carrying right to subscribe to equal number of Equity Shares, on preferential / private placement basis to Promoters' Group Companies under Section 62 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, read with Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

Mr. Vinod Agarwal proposed the following SPECIAL RESOLUTION which was seconded by Mr. Bharat Shah:

"**RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and other Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as "the Act") and in accordance with the applicable provisions of the rules, regulations, guidelines, notifications, circulars and clarifications issued by the Securities and Exchange Board of India ("SEBI") including SEBI's Preferential Issue Guidelines, i.e. Chapter VII of the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the "SEBI ICDR Regulations") and enabling provisions of the Memorandum and Articles of Association of the Company, Listing Agreement entered into with Stock Exchange(s) on which the securities of the Company are listed (collectively the "Stock Exchanges") and subject to such consents, approvals, permissions or sanctions as may be required from appropriate authorities under any legislations, rules, regulations and guidelines for the time being in force, and subject to such conditions

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and modifications as may be prescribed or imposed by any one or more of them while granting any such approvals, consents, permissions or sanctions and as agreed to by the Board of Directors of the Company (the "Board", which term shall be deemed to include any Committee of Directors which the Board may have constituted or may hereinafter constitute to exercise its powers including powers conferred on the Board by this Resolution), consent and approval of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot in one or more tranches, on preferential / private placement basis, through offer letter and / or such other documents / writings; upto 10,50,000 (Ten Lakhs Fifty Thousand) warrants (the "Warrants"), each Warrant carrying an entitlement to subscribe to one (1) Equity Share of the Company ("Resulting Equity Shares") of Rs. 10/- (Rupees Ten only) each at a price calculated in accordance with SEBI ICDR Regulations for preferential allotment, subject to a minimum price of Rs. 160/- (Rupees One Hundred Sixty only) per Equity Share ("Share Price"), i.e. at a premium of Rs. 150/- (Rupees One Hundred Fifty only) per Equity Share, to the following companies belonging to the Promoters' Group (the "Promoters") in the proportion as is set out below, and on such other terms and conditions and in such manner as given herein below, in the annexed Statement pursuant to Section 102 of the Act, and as the Board may determine in its absolute discretion:

Sr. No.	Name of the Promoters	Maximum No. of Warrants to be allotted
1.	Baronet Properties & Investments Private Limited	5,25,000
2.	Coronet Properties & Investments Private Limited	5,25,000
	Total	**10,50,000**

That is in aggregate upto 10,50,000 (Ten Lakhs Fifty Thousand) Equity Shares may be issued and allotted to the Promoters, on exercise of entitlement to acquire shares on surrender of the Warrants as above.

RESOLVED FURTHER THAT the said Warrants to be issued by the Company shall be on the following terms and conditions:

(1) the holder of each Warrant shall be entitled to subscribe to one (1) equity share of Rs. 10/- each of the Company (at its sole option) and in one or more tranches, at any time within a period of eighteen (18) months from the date of allotment of the said Warrants;

(2) an amount equivalent to twenty five percent (25%) of the Share Price shall be payable at the time of allotment of the Warrants towards face value of the Warrant i.e. Rs. 40/- (Rupees Forty only), which will be adjusted and appropriated against the share application money payable by the Promoters at the time of exercising the option to acquire one (1) Equity Share against each Warrant;

(3) the Promoters shall, at the time of exercise of option to acquire one (1) Equity Share of the Company against each Warrant held by it, pay the balance seventy five percent (75%) of the Share Price i.e. Rs. 120/- (Rupees One Hundred Twenty only);

(4) the Warrants shall have a tenure of eighteen (18) months from the date of their allotment. If the option to acquire Equity Share underlying the Warrant is not exercised by the Promoters within eighteen (18) months from the date of allotment of the Warrants or the Promoters have surrendered the Warrants to the Company before expiry of said eighteen (18) months period, then such Warrants shall stand cancelled and the amount per Warrant, as paid by the Promoters towards its face value shall be forfeited;

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(5) the Warrants and the Resulting Equity Shares and also the entire pre-preferential Equity Shares held, if any, by the Promoters shall be subject to such lock-in as prescribed under the SEBI ICDR Regulations;

(6) each of the Warrants shall be independent of the other and shall form part of the same series, and shall be pari passu with each other in all respects;

(7) the Warrants by itself shall not give to the holder(s) thereof any rights of the shareholders of the Company.

RESOLVED FURTHER THAT:

(1) the issue of the Warrants, their surrender or cancellation as well as the issue of the Resulting Equity Shares shall be governed by the applicable provisions of the Act, the Memorandum and Articles of Association of the Company and also the applicable guidelines issued by SEBI or any other authority as the case may be, or any modifications thereof;

(2) the Resulting Equity Shares on their issue and allotment shall rank pari passu in all respects with the existing equity shares of the Company, including for dividend entitlement;

(3) the relevant date for the purpose of determining the price of the Warrants and the Resulting Equity Shares in accordance with the SEBI ICDR Regulations be fixed as December 17, 2014, being thirty (30) days prior to the date of this Extraordinary General Meeting scheduled to be held on January 16, 2015;

(4) the Board be and is hereby authorized to take all necessary steps and do all the acts, deeds, matters and things and to authorize execution of necessary documents, as it may deem expedient and in the interest of the Company, without being required to seek any further consent or approval of the Members of the Company, decide and approve the other terms and conditions of the issue of the Warrants to the Promoters, or relating to acquisition of the shares or reducing the size of the issue or cancelling the issue, or surrender of the Warrants, or utilization of the proceeds of the issue, subject however to compliance with the provisions of all applicable laws, guidelines, notifications, rules and regulations;

(5) the offer, issue and allotment of the Warrants, shall be made at such time or times as the Board or any duly authorized Committee of Directors may in its absolute discretion decide, but not later than fifteen (15) days from the date of this Resolution, or within such extended time as any of the appropriate authority may allow (subject to the provisions of the SEBI ICDR Regulations);

(6) the price per Warrant and the Resulting Equity Shares and / or if required their number shall be appropriately adjusted, subject to the provisions of the Act and SEBI ICDR Regulations, and other applicable legislations, rules, regulations and guidelines, for corporate actions such as sub-division or consolidation of shares, bonus issue, rights issue, merger, demerger, sale / transfer of division / undertaking, or any such capital or corporate restructuring; and

(7) for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or incidental to this Resolution and to settle any question, difficulty or doubt that may arise from time to time in regard to the offer, issue and allotment of the Warrants and the

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Resulting Equity Shares (as may be required), to the Promoters, their pricing and the relevant date for determining the pricing and listing and to do all the acts, deeds, matters and things and to finalize and to execute all necessary documents, papers, agreements, deeds, listing and other applications and writings as may be `necessary, desirable or expedient as it may deem fit and in the interest of the Company, without being required to seek any further consent or approval of the Members of the Company, decide and approve the other terms and conditions of the issue of the said Warrants and the Resulting Equity Shares, or to modify any of them, or reducing the size of the issue or cancelling the issue or utilization of the proceeds of the issue; subject however to compliance with the provisions of all applicable laws, guidelines, notifications, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this Resolution, to any Director(s) or any Committee of Directors or any other employee(s) or officer(s) or agent(s) of the Company (as it may consider appropriate) to give effect to this Resolution."

Mr. V. Raman Kumar then requested Mr. Manohar Bidaye to again take the Chair and proceed with the remaining meeting.

Mr. Manohar Bidaye thanked Mr. V. Raman Kumar and took the Chair.

7. VOTE OF THANKS:

There being no other matter to be discussed, Mr. Manohar Bidaye declared the meeting to end. He then thanked all the Members for attending the meeting.

Subsequently, Mr. Mukul Desai proposed vote of thanks to the Chairman and the meeting was terminated.

Date: February 10, 2015

CHAIRMAN

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