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June 14, 2012

The Manager
Listing Department,
National Stock Exchange of India Ltd.
'Exchange Plaza', C-1, Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051

Fax No. 26598237/26598238

Stock Code - ZICOM

Ref: ISIN INE 871B01014

Dear Sir/Madam,

Sub: **Acquisition of Phoenix International WLL, Qatar, a Fire Protection and Suppression Company**

Please refer to our earlier letter dated May 17, 2012 intimating you, inter-alia, about the outcome of the Board Meeting held on even date, approving investment in Qatar based company engaged in activities relating to fire detection, protection, safety and related services.

In this connection, we are pleased to announce acquisition of 49% stake and complete management control in Phoenix International WLL (Phoenix International), Qatar, a Limited Liability Company, at a valuation of USD 15 million. As a part of the Share Sale Agreement, Zicom has acquired 5% stake while Unisafe Fire Protection Specialists Singapore Pte. Ltd., a wholly owned subsidiary, has acquired 44% stake in Phoenix International.

On this occasion the Company is issuing a Press Release detailing the acquisition, a copy of which is enclosed herewith for your information and record. The same is also available on the website of the Company www.zicom.com.

Kindly acknowledge receipt.

Thanking you,

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

K. Trivedi

Kunjan Trivedi
Company Secretary

Encl: as above

Zicom acquires stake in Qatar based Phoenix International WLL

Mumbai, June 14, 2012: Zicom Electronic Security Systems Limited (Zicom) together with its Singapore based wholly owned subsidiary viz. Unisafe Fire Protection Specialists Singapore Pte. Ltd. (Unisafe Singapore) (collectively referred as Zicom Group) has acquired 49% stake and complete management control in Phoenix International WLL (Phoenix International), Qatar, a Limited Liability Company, at a valuation of USD 15 million. As a part of the Share Sale Agreement, Zicom has acquired 5% stake while Unisafe Singapore has acquired 44% stake in Phoenix International.

Phoenix International, established in 2006, is one of the leading fire security solutions providers in Qatar. Phoenix International offers turn keys solutions in fire protection and suppression projects and it has license to operate in petrochemical sector. Phoenix International has exclusive tie-up to market safety and security equipments of leading international suppliers.

The portfolio of services offered by Phoenix International covers Design, Engineering, integrating, testing and commissioning of Fire Safety, Security and Building Management Systems, with main focus on Fire Prevention and Protection. Phoenix International has handled many prestigious projects in Qatar. Today, Phoenix International caters to large spectrum of clientele from government to corporate, refineries, shopping malls, multi storey building, hotels and resorts, etc.

Phoenix International is supported by a team of 210 well trained and experienced Engineers, Technicians and other employees competent to carry out installation and maintenance of fire fighting equipments of the international standards. During the period ended on 31st March, 2012, Phoenix International has achieved turnover of INR 80 crores.

Qatar is a part of Gulf Co-operation Council (GCC) Countries and has the world's highest per capita GDP. The Economy of Qatar is one of the fastest growing economies in the world. Large projects in residential and commercial buildings and infrastructure are coming up in Qatar and the construction market is estimated at USD 130 billion for next 10 years which is expected to give big boost to safety and security industry. Qatar is going to host FIFA World Cup in 2022.

Commenting on the acquisition, Mr. Manohar Bidaye, Chairman, Zicom Electronic Security Systems Limited said, "*With acquisition of Phoenix International in Qatar, Zicom has expanded its footprints in GCC Countries and has become a major player in providing Fire Prevention and Protection products and services in Middle East region. This acquisition is in line with our strategy to offer our services in Middle East and North Africa (MENA) Region. Based on past performance and strong order book position, Phoenix International is expected to contribute substantially to Zicom Group's business.*

According to Mr. Vinu Kuruvilla, Managing Director Phoenix International, "*We are pleased to partner with Zicom Group and will work closely to leverage each other's core competency and provide a complete gamut of security and safety solutions to our customers in Qatar.*"

ZICOM ELECTRONIC SECURITY SYSTEMS LTD MUMBAI