AWAKE ALWAYS

September 14, 2017

The Secretary / Corporate Relationship Dept.
The Bombay Stock Exchange Limited.
P.J. Towers,
Dalal Street, Fort,
Mumbai 400001.

Stock Code: 531404

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

Stock Code: ZICOM

Ref: ISIN INE 871B01014

Dear Sir / Madam,

Sub: Outcome of Board Meeting

Further to our letter dated September 7, 2017, intimating you of the Board Meeting to be held today and pursuant to Regulation 33 of SEBI (Listing Obligations and/ Disclosure Requirements) Regulations, 2015, kindly be informed that the Board of Directors at its said meeting has inter-alia approved the following matters:

1. Unaudited Financial Results of the Company for the quarter ended June 30, 2017, both, on standalone and consolidated basis (as enclosed);
2. Limited Review Reports, on standalone and consolidated Unaudited Financial Results for the quarter ended June 30, 2017, issued by the Statutory Auditors of the Company (as enclosed); and
3. Noting and accepting resignation of Mr. Sanjeev Dayal, Independent Director, w.e.f. August 30, 2017.

The said Unaudited Financial Results and Limited Review Reports are prepared in accordance with the provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

The said Unaudited Financial Results are also made available on the websites of the Company viz. www.zicom.com and of the Stock Exchanges viz. www.bseindia.com and www.nseindia.com.

The Board Meeting concluded at 4:00 p.m.

Kindly take the above on record and acknowledge receipt of the same.

Thanking you,

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

Kunjan Trivedi
Company Secretary

Encl: as above

Zicom Electronic Security Systems Limited

Reg. Office: 501, Silver Metropolis, Western Express Highway, Goregaon East, Mumbai 400063.
Tel: +91 22 4290 4290; **Fax:** +91 22 4290 4291; **Website:** www.zicom.com; **CIN:** L32109MH1994PLC083391

PART I : STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017

(Rs. in Lakhs)

	Particulars	Standalone		Consolidated	
		Quarter Ended 30/06/2017 (Unaudited)	Quarter Ended 30/06/2016 (Unaudited)	Quarter Ended 30/06/2017 (Unaudited)	Quarter Ended 30/06/2016 (Unaudited)
1	**Income**				
	(a) Revenue from Operations	**1,505.07**	6,697.71	**8,919.60**	17,734.46
	(b) Other Income	**349.14**	313.47	**57.83**	20.03
	Total Income	**1,854.21**	7,011.18	**8,977.43**	17,754.49
2	**Expenses**				
	(a) Cost of Materials consumed	---	---	---	---
	(b) Purchases of Stock-in-Trade	**1,409.19**	5,546.99	**6,100.96**	13,395.56
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	**114.78**	402.82	**114.78**	(56.29)
	(d) Employee Benefits Expense	**149.45**	181.04	**1,262.71**	1,577.07
	(e) Finance Costs	**777.63**	570.60	**1,943.57**	2,095.26
	(f) Depreciation and Amortisation Expense	**54.79**	51.27	**986.46**	1,079.25
	(g) Other Expenses	**152.58**	187.68	**1,091.31**	1,284.47
	Total Expenses	**2,658.42**	6,940.40	**11,499.79**	19,375.32
3	**Profit / (Loss) before Exceptional Items and Tax (1-2)**	**(804.21)**	70.78	**(2,522.36)**	(1,620.83)
4	Exceptional Items	**3,025.77**	---	**3,025.77**	---
5	**Profit / (Loss) Before Tax (3 ± 4)**	**(3,829.98)**	70.78	**(5,548.13)**	(1,620.83)
6	**Tax Expense**				
	Current Tax	---	27.93	**79.10**	140.81
	Deferred Tax	**(204.33)**	(4.84)	**(283.95)**	(63.70)
7	**Profit / (Loss) for the period from continuing operations (5 ± 6)**	**(3,625.65)**	47.69	**(5,343.28)**	(1,697.94)
8	Profit / (Loss) from discontinuing operations	---	---	---	---
9	Tax expense of discontinuing operations	---	---	---	---
10	**Profit / (Loss) from discontinuing operations (after tax) (8 ± 9)**	---	---	---	---
11	**Profit / (Loss) for the Period (after tax) (7 ± 10)**	**(3,625.65)**	47.69	**(5,343.28)**	(1,697.94)
12	Share of Profit / (Loss) of Associates	---	---	---	---
13	Minority Interest	---	---	**61.94**	67.33
14	**Profit / (Loss) for the Period (after Taxes, Minority Interest and Share of Profit / (Loss) of Associates) (11±12±13)**	**(3,625.65)**	47.69	**(5,281.34)**	(1,630.61)
15	Other Comprehensive Income (OCI)	**36.48**	153.47	**36.48**	153.47
16	**Total Comprehensive Income (14+15)**	**(3,589.17)**	201.16	**(5,244.86)**	(1,477.14)
17	**Earnings Per Share (EPS) (Face Value of Rs. 10/- each):**				
	(a) Basic	**(8.71)**	1.00	**(12.72)**	(7.31)
	(b) Diluted	**(8.71)**	1.00	**(12.72)**	(7.31)



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Notes:

1. The above financial results of the Company for the quarter ended June 30, 2017, have been reviewed by the Audit Committee on September 14, 2017 and approved by the Board at its meeting held on even date. The Statutory Auditors have conducted the limited review of the current quarter financial results as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

   Based on unaudited management drawn accounts of two Singapore subsidiary companies, the Management has drawn attention that these subsidiary companies have net capital deficit Rs. 4,299.58 lakhs. The financial statements of these subsidiary companies have been prepared on a going concern basis as the holding company and related parties have undertaken to provide continuing financial support until such time the subsidiary companies are able to operate on its own financial resources.

   Term Loans to one of wholly owned Indian subsidiary from the Banks have been classified as Non Performing Assets (NPA) as per Reserve Bank of India circular on assets classification. Accordingly, the banks have not provided any interest on these term loans from the date of these becoming NPA. As a result, the Company has also not provided interest of Rs. 244.51 lakhs on accrual basis on these term loans.

2. The above financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Beginning April 1, 2017, the Company has for the first time adopted Ind-AS with a transition date of April 1, 2016. The impact of transition to Ind-AS has been accounted for in the opening Reserves and the comparative previous period figures have been restated accordingly.

3. The format for above financial results, as prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated 30th November, 2015, has been modified to comply with requirements of SEBI's circular dated July 5, 2016, Ind-AS and Schedule III to the Companies Act, 2013.

4. The Ind-AS compliant financial results of the corresponding quarter of the previous year have not been subjected to limited review or audit. However, the Management has exercised necessary due diligence to ensure that such financial results provide a true and fair view.

5. The above financial results do not include Ind-AS compliant results for the preceding quarter and previous year ended March 31, 2017, as the same are not mandatory as per SEBI's circular dated July 5, 2016.

6. The Finance Cost includes effect of gain / loss in foreign exchange fluctuations.

7. Exceptional Items for the period represents (i) Impairment Loss in Property Plant & Equipment of Rs. 605.57 lakhs due to change in technology; (ii) Provision towards doubtful recovery of certain Loans & Advances of Rs. 1,292.40 lakhs given to foreign wholly owned subsidiary company in connection with investment in joint venture in Brazil, which went for bankruptcy; (iii) Provision towards Advances and Trade Receivables due from a group company for Rs.1,106.08 lakhs due to deterioration in financial health caused by reduction in business and (iv) Write-off of long overdue recoverable of Rs. 21.72 lakhs from technology service provider.

8. The Company has a single reportable business segment of "Security and Safety".

9. The Consolidated Financial Results for the quarter consists unaudited financial results of the Company and its following subsidiaries:
   (a) Unisafe Fire Protection Specialists LLC, Dubai, U.A.E. (Consolidated)
   (b) Phoenix International WLL, Qatar
   (c) Zicom SaaS Private Limited
   (d) Unisafe Fire Protection Specialists India Private Limited
   (e) Unisafe Fire Protection Specialists Singapore Pte. Ltd., Singapore
   (f) Zicom Security Projects Pte. Ltd., Singapore



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10. Previous period figures have been regrouped / rearranged wherever necessary to facilitate comparison.

11. The standalone results will be available on the Company's website www.zicom.com and Stock Exchanges websites www.bseindia.com and www.nseindia.com.

12. **Reconciliation of Net Profit for the quarter ended June 30, 2016 reported under IGAAP to Ind-AS:**

	(Rs. in Lakhs)	
Particulars	**Quarter ended June 30, 2016**	
	Standalone	**Consolidated**
Net Profit / (Loss) after tax as per Indian GAAP	**9.18**	**(1,737.24)**
Add / (Less): Ind-AS adjustments		
1. Actuarial Gain / (loss) on employee defined benefit fund recognized in OCI (Net of Tax)	**3.68**	**4.48**
2. Amortization of Goodwill (Net of Tax)	**34.83**	**34.82**
Net Profit / (Loss) as per Ind-AS before OCI / Reserve	**47.69**	**(1,697.94)**

For Zicom Electronic Security Systems Ltd.

Zicom Electronic Security Systems Ltd

Manohar Bidaye
Chairman

Place: Mumbai
Date: September 14, 2017

S M M P & Associates
Chartered Accountants

Limited Review Report

To
The Board of Directors
Zicom Electronic Security Systems Limited
501, Silver Metropolis,
Western Express Highway,
Goregaon East, Mumbai- 400 063.

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Zicom Electronic Security Systems Limited** ("the Company") for the quarter ended 30th June 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25/Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Emphasis of Matter

Refer Note No. 7 of Unaudited Financial Results of the Company where in in respect of Holding Company Exceptional Items for the Period represent (i) Impairment Loss in Property Plant & Equipment has been provided amounting to Rs. 605.57 Lacs based on valuation report considering no future economic benefit; (ii) Provision towards doubtful recovery of certain Loans & Advances of Rs. 1292.40 Lacs given by the Company in connection with investment in a foreign subsidiary, which went for bankruptcy; (iii) Provision towards Advances and Trade Receivables due from an associate of the Company amounting to Rs. 1127.80 Lacs as the said associate Company has negative net worth based on business valuation Carried out by the management and (iv) Write-off of long overdue recoverable of Rs. 21.72 lakhs from technology service provider.

S.M.M.P. & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ MUMBAI

307, Chartered House, 297/299, Dr. C. H. Street, Near Marine Lines Church, Mumbai - 400 002, India.
Tel. : 91-22-4031 1900 • Fax : 91-22-4031 1901 • E-mail : malpani_s@smalpani.com • Website : www.smalpani.com
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S M M P & Associates
Chartered Accountants

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **S M M P & Associates**
Chartered Accountants
Firm Registration No. 120438 W

S Parekh

Sonal Parekh
Partner
Membership No. 139852

S M M P & ASSOCIATES ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Mumbai, dated 14th September, 2017

S M M P & Associates
Chartered Accountants

Limited Review Report

To
The Board of Directors
Zicom Electronic Security Systems Limited
501, Silver Metropolis,
Western Express Highway,
Goregaon East, Mumbai- 400 063

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Zicom Electronic Security Systems Limited** ("the Company") and its subsidiaries (together referred to as "the Group") for the quarter ended 30th June 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25/Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410' Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. **Emphasis of Matter**

   a. Refer Note No. 7 of Unaudited Financial Results of the Company where in in respect of Holding Company Exceptional Items for the Period represent (i) Impairment Loss in Property Plant & Equipment has been provided amounting to Rs. 605.57 Lacs based on valuation report considering no future economic benefit; (ii) Provision towards doubtful recovery of certain Loans & Advances of Rs. 1292.40 Lacs given by the Company in connection with investment in a foreign subsidiary, which went for bankruptcy; (iii) Provision towards Advances and Trade Receivables due from an associate of the Company amounting to Rs. 1127.80 Lacs as the said associate Company has negative net worth based on business valuation Carried out by the management and (iv) Write-off of long overdue recoverable of Rs. 21.72 lakhs from technology service provider.

SMMP & ASSOCIATES ★ MUMBAI ★ CHARTERED ACCOUNTANTS

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b. Refer Note No. 1 of Unaudited management drawn accounts of two foreign Subsidiary Companies of Singapore, where in we mentioned the fact that these subsidiary companies have net capital deficit Rs. 4299.58 Lacs. The Companies' financial statements have been prepared on a going concern basis as the holding Company and related parties have undertaken to provide continuing financial support until such time the subsidiary companies are able to operate on its financial resources.

4. Based on our review conducted as above, *subject to Note No. 1 for non provision of Interest on accrual bases amounting to Rs. 244.51 Lacs, in respect of one of the Indian Subsidiaries' of the Company on term loans taken by the said subsidiary Company as the said term loans have become Non Performing Assets, thus resulting in understating the consolidated loss in the books of the Company for the quarter by the above extent*, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Indian Accounting Standards, prescribed under section 133 of Companies Act 2013 read with rules issued there under and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. **Other Matter**

The Consolidated Financial Result includes for the quarter ended30th June 2017, Revenue amounting to Rs. 7414.53 and Net Profit/ (Loss) for the quarter ended 30th June 2017 amounting to Rs. (1443.72), of the six subsidiaries, which have not been reviewed by us or any other auditors and are based on the management drawn accounts.

For **S M M P & Associates**
Chartered Accountants
Firm Registration No. 120438 W

S Parekh

Sonal Parekh
Partner
Membership No. 139852

S M M P & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ MUMBAI

Mumbai, dated 14th September, 2017