



December 7, 2017

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

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:** 531404

**Stock Code:** ZICOM

**Ref:** ISIN INE 871B01014

Dear Sir / Madam,

**Sub: Outcome of Board Meeting**

Further to our letter dated November 30, 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 and half year ended September 30, 2017, both, on standalone and consolidated basis (as enclosed);
2. Limited Review Reports, on standalone and consolidated Unaudited Financial Results for the quarter and half year ended September 30, 2017, issued by the Statutory Auditors of the Company (as enclosed);
3. Accepting resignation of Mr. Hemendra Paliwal, Chief Financial Officer (KMP), w.e.f. November 30, 2017; and
4. Appointment of Mr. Nitin Deshpande as Chief Financial Officer (KMP) of the Company w.e.f. December 1, 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](http://www.zicom.com) and of the Stock Exchanges viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

The Board Meeting concluded at 17:15 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 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](http://www.zicom.com) | Toll Free: 1-800-270-4567  
CIN : L32109MH1994PLC083391



## 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

<b>PART I : STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017</b>						
						(Rs. in Lakhs)
	Particulars	Quarter Ended 30/09/2017	Quarter Ended 30/06/2017	Quarter Ended 30/09/2016	Half Year Ended 30/09/2017	Half Year Ended 30/09/2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>1</b>	<b>Income</b>					
	(a) Revenue from Operations	1,042.66	1,505.07	5,382.57	2,547.73	12,080.28
	(b) Other Income	358.60	349.14	338.64	707.74	652.11
	<b>Total Income</b>	<b>1,401.26</b>	<b>1,854.21</b>	<b>5,721.21</b>	<b>3,255.47</b>	<b>12,732.39</b>
<b>2</b>	<b>Expenses</b>					
	(a) Cost of Materials consumed	---	---	---	---	---
	(b) Purchases of Stock-in-Trade	95.92	1,409.19	4,697.41	1,505.11	10,244.40
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	806.66	114.78	76.74	921.44	479.56
	(d) Employee Benefits Expense	155.49	149.45	163.36	304.94	349.81
	(e) Finance Costs	557.00	777.63	713.23	1,334.63	1,283.83
	(f) Depreciation and Amortisation Expense	33.00	54.79	101.89	87.79	203.64
	(g) Other Expenses	2,830.39	152.58	124.70	2,982.97	312.38
	<b>Total Expenses</b>	<b>4,478.46</b>	<b>2,658.42</b>	<b>5,877.33</b>	<b>7,136.88</b>	<b>12,873.62</b>
<b>3</b>	<b>Profit / (Loss) before Exceptional Items and Tax (1-2)</b>	<b>(3,077.20)</b>	<b>(804.21)</b>	<b>(156.12)</b>	<b>(3,881.41)</b>	<b>(141.23)</b>
<b>4</b>	Exceptional Items	---	3,025.77	---	3,025.77	---
<b>5</b>	<b>Profit / (Loss) Before Tax (3 + 4)</b>	<b>(3,077.20)</b>	<b>(3,829.98)</b>	<b>(156.12)</b>	<b>(6,907.18)</b>	<b>(141.23)</b>
<b>6</b>	<b>Tax Expense</b>					
	Current Tax	---	---	(26.20)	---	---
	Deferred Tax	193.66	(204.33)	5.77	(10.67)	(14.72)
<b>7</b>	<b>Profit / (Loss) for the period from continuing operations (5 + 6)</b>	<b>(3,270.86)</b>	<b>(3,625.65)</b>	<b>(135.69)</b>	<b>(6,896.51)</b>	<b>(126.51)</b>
<b>8</b>	Profit / (Loss) from discontinuing operations	---	---	---	---	---
<b>9</b>	Tax expense of discontinuing operations	---	---	---	---	---
<b>10</b>	<b>Profit / (Loss) from discontinuing operations (after tax) (8 + 9)</b>	---	---	---	---	---
<b>11</b>	<b>Profit / (Loss) for the Period (after tax) (7 + 10)</b>	<b>(3,270.86)</b>	<b>(3,625.65)</b>	<b>(135.69)</b>	<b>(6,896.51)</b>	<b>(126.51)</b>
<b>12</b>	Other Comprehensive Income (OCI)	---	36.48	---	36.48	---
<b>13</b>	<b>Total Comprehensive Income (11+12)</b>	<b>(3,270.86)</b>	<b>(3,589.17)</b>	<b>(135.69)</b>	<b>(6,860.03)</b>	<b>(126.51)</b>
<b>14</b>	<b>Earnings Per Share (EPS) (Face Value of Rs. 10/- each):</b>					
	(a) Basic	(7.93)	(8.71)	(0.67)	(16.64)	(0.63)
	(b) Diluted	(7.93)	(8.71)	(0.67)	(16.64)	(0.63)





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Standalone Unaudited Statement of Assets and Liabilities as per Regulation 33(3)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for half year ended September 30, 2017

Particulars		(Rs. in Lakhs)
		As at 30/09/2017
<b>I</b>	<b>ASSETS</b>	
<b>1</b>	<b>Non-Current Assets</b>	
(a)	Property, Plant and Equipment	145.36
(b)	Capital Work-in-Progress	---
(c)	Investment Property	1,332.24
(d)	Goodwill	908.64
(e)	Other Intangible Assets	8.74
(f)	Intangible Assets under Development	---
(g)	Biological Assets other than bearer Plants	---
(h)	Investments accounted for using Equity Method	---
(i)	Investments in Subsidiaries, Joint Ventures and Associates	5,606.97
(j)	Financial Assets	
	(i) Investments	0.25
	(ii) Trade Receivables	---
	(iii) Loans	7,746.45
	(iv) Other financial assets	---
(k)	Income Tax Assets (Net)	---
(l)	Other Non-Current Assets	---
	<b>Total Non-Current Financial Assets</b>	<b>15,748.66</b>
<b>2</b>	<b>Current Assets</b>	
(a)	Inventories	5,250.91
(b)	Current Financial Asset	
	(i) Current Investments	---
	(ii) Trade Receivables	5,944.64
	(iii) Cash and Cash Equivalents	62.33
	(iv) Bank balance other than Cash and Cash Equivalents	106.95
	(v) Loans	7,878.35
	(vi) Other Current Financial Assets	10.05
	<b>Total Current Financial Assets</b>	<b>14,002.32</b>
(c)	Current Tax Assets (net)	---
(d)	Other Current Assets	8,026.52
	<b>Total Current Assets</b>	<b>27,279.75</b>
	Non-Current Assets classified as held for sale	---
	Regulatory deferral account debit balances and related deferred tax Assets	---
	<b>TOTAL ASSETS</b>	<b>43,028.41</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>	
	<b>Equity</b>	
(a)	Equity Share Capital	4,122.41
(b)	Other Equity	13,690.22
(c)	Equity attributable to owners of parent	---
(d)	Non-controlling interest	---
	<b>Total Equity</b>	<b>17,812.63</b>
	<b>Liabilities</b>	
<b>1</b>	<b>Non-Current Liabilities</b>	
(a)	Non-current Financial Liabilities	
	(i) Borrowings	---
	(ii) Trade Payables	---
	(iii) Other non-current financial liabilities	98.59
	<b>Total Non-Current Financial Liabilities</b>	<b>98.59</b>



*[Handwritten signature]*



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(Rs. in Lakhs)

Particulars		As at 30/09/2017
(b)	Provisions	16.80
(c)	Deferred Tax Liabilities (net)	512.38
(d)	Deferred Government Grants	---
(e)	Other Non-Current Liabilities	---
	<b>Total Non-Current Liabilities</b>	<b>627.77</b>
<b>2</b>	<b>Current Liabilities</b>	
(a)	<b>Current Financial Liabilities</b>	
(i)	Borrowings	19,994.61
(ii)	Trade Payables	3,189.43
(iii)	Other Current Financial Liabilities	233.66
	<b>Total Current Financial Liabilities</b>	<b>23,417.70</b>
(b)	Other Current Liabilities	209.63
(c)	Provisions	565.46
(d)	Current Tax Liabilities (Net)	395.22
(e)	Deferred Government Grants, current	---
	<b>Total Current Liabilities</b>	<b>24,588.01</b>
	Liabilities directly associated with assets in disposal group classified as held for sale	---
	Regulatory deferral account credit balances and related deferred tax liability	---
	<b>Total Liabilities</b>	<b>25,215.77</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>43,028.41</b>

### Notes:

- The above financial results of the Company for the quarter and half year ended September 30, 2017, have been reviewed by the Audit Committee on December 7, 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 and half year financial results as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- 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.
- The format for above financial results, as prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated 30<sup>th</sup> 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.
- The Ind-AS compliant financial results of the corresponding quarter and half year 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.
- The above financial results do not include Ind-AS compliant results for the previous year ended March 31, 2017, as the same are not mandatory as per SEBI's circular dated July 5, 2016.
- The Statement of Standalone Unaudited Assets and Liabilities as at March 31, 2017 are not presented as the same is not mandatory as per SEBI's circular dated July 5, 2016.





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7. There is a possibility that these financial results may require adjustment before constituting the final Ind AS financial statements as of and for the year ending March 31, 2018 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA or changes in the use of one or more optional exemptions from full retrospective application as permitted under Ind AS 101.
8. The Government of India has implemented Goods and Service Tax (GST) with effect from July 1, 2017 which replaced VAT, Service Tax and various other indirect taxes. As per Ind AS 18, the revenue for the half year ended September 30, 2017 is reported net of GST. The sales for the period up to June 30, 2017 were reported inclusive of VAT and Service Tax. Sales for the half year ended September 30, 2017 includes VAT and Service Tax up to June 30, 2017. Accordingly sales for the period are not comparable.
9. The Company has entered into one-time settlement agreements with certain parties and has accordingly written off bad-debts amounting to Rs. 2,634.66 lakhs for the quarter under review. As a result, the loss has increased to that extent for the aforesaid period.
10. The Finance Cost includes effect of gain / loss in foreign exchange fluctuations.
11. Exceptional Items for the half year under review 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.
12. The Earning Per Share (EPS) for the quarter under review, for the immediately preceding quarter and half year under review are not comparable with the corresponding quarter and half year of the previous year as the EPS for the former periods have been calculated based on enhanced paid-up share capital.
13. The Company has a single reportable business segment of "Security and Safety".
14. Previous period figures have been regrouped / rearranged wherever necessary to facilitate comparison.
15. **Reconciliation of Net Profit for the quarter and half year ended September 30, 2016 reported under IGAAP to Ind-AS:**

Particulars	(Rs. in Lakhs)	
	Standalone	
	Quarter Ended 30/09/2016	Half Year Ended 30/09/2016
<b>Net Profit / (Loss) after tax as per Indian GAAP</b>	<b>(135.69)</b>	<b>(126.51)</b>
<b>Add / (Less): Ind-AS adjustments</b>		
1. Actuarial Gain / (loss) on employee defined benefit fund recognized in OCI (Net of Tax)	1.84	5.52
2. Amortization of Goodwill (Net of Tax)	34.83	69.66
<b>Net Profit / (Loss) as per Ind-AS before OCI / Reserve</b>	<b>(99.02)</b>	<b>(51.33)</b>

For Zicom Electronic Security Systems Ltd.



  
Manohar Bidaye  
Chairman

Place: Mumbai  
Date: December 7, 2017

**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 half year ended 30<sup>th</sup> September, 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 5<sup>th</sup> 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/IndAS-34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under 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. 9 of Unaudited Standalone Financial Results of the Company which states that the Company has written off bad debts amounting to Rs. 2634.66 Lakhs for the quarter ended in view of one time settlement agreements with certain parties. As a result, the loss has increased to that extent for the aforesaid period.

Based on our review conducted and except for the effects of the matter stated in the Basis for Qualified Opinion paragraph 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 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 SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> 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

Mumbai, dated 7<sup>th</sup> December, 2017



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PART I : STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017						
						(Rs. in Lakhs)
	Particulars	Quarter Ended 30/09/2017	Quarter Ended 30/06/2017	Quarter Ended 30/09/2016	Half Year Ended 30/09/2017	Half Year Ended 30/09/2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>1</b>	<b>Income</b>					
	(a) Revenue from Operations	10,062.14	8,919.60	25,223.43	18,981.74	42,957.89
	(b) Other Income	(33.49)	57.83	35.03	24.34	55.06
	<b>Total Income</b>	<b>10,028.65</b>	<b>8,977.43</b>	<b>25,258.46</b>	<b>19,006.08</b>	<b>43,012.95</b>
<b>2</b>	<b>Expenses</b>					
	(a) Cost of Materials consumed	---	---	---	---	---
	(b) Purchases of Stock-in-Trade	6,724.12	6,100.96	18,872.44	12,825.08	32,268.00
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	530.13	114.78	(28.87)	644.91	(85.16)
	(d) Employee Benefits Expense	920.78	1,262.71	1,661.96	2,183.49	3,245.61
	(e) Finance Costs	1,644.29	1,943.57	2,250.05	3,587.86	4,345.31
	(f) Depreciation and Amortisation Expense	969.74	986.46	992.82	1,956.20	2,122.55
	(g) Other Expenses	3,813.47	1,091.31	1,199.91	4,904.78	2,484.38
	<b>Total Expenses</b>	<b>14,602.53</b>	<b>11,499.79</b>	<b>24,948.31</b>	<b>26,102.32</b>	<b>44,380.69</b>
<b>3</b>	<b>Profit / (Loss) before Exceptional Items and Tax (1-2)</b>	<b>(4,573.88)</b>	<b>(2,522.36)</b>	<b>310.15</b>	<b>(7,096.24)</b>	<b>(1,367.74)</b>
<b>4</b>	Exceptional Items	---	3,025.77	---	3,025.77	---
<b>5</b>	<b>Profit / (Loss) Before Tax (3 + 4)</b>	<b>(4,573.88)</b>	<b>(5,548.13)</b>	<b>310.15</b>	<b>(10,122.01)</b>	<b>(1,367.74)</b>
<b>6</b>	<b>Tax Expense</b>					
	Current Tax	(79.10)	79.10	139.15	---	277.85
	Deferred Tax	324.04	(283.95)	(91.78)	40.09	(171.13)
<b>7</b>	<b>Profit / (Loss) for the period from continuing operations (5 + 6)</b>	<b>(4,818.82)</b>	<b>(5,343.28)</b>	<b>262.78</b>	<b>(10,162.10)</b>	<b>(1,474.46)</b>
<b>8</b>	Profit / (Loss) from discontinuing operations	---	---	---	---	---
<b>9</b>	Tax expense of discontinuing operations	---	---	---	---	---
<b>10</b>	<b>Profit / (Loss) from discontinuing operations (after tax) (8 + 9)</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>11</b>	<b>Profit / (Loss) for the Period (after tax) (7 + 10)</b>	<b>(4,818.82)</b>	<b>(5,343.28)</b>	<b>262.78</b>	<b>(10,162.10)</b>	<b>(1,474.46)</b>
<b>12</b>	Share of Profit / (Loss) of Associates	---	---	---	---	---
<b>13</b>	Non-controlling Interests	43.77	61.94	39.31	105.71	(28.02)
<b>14</b>	<b>Profit / (Loss) for the Period (after Taxes, Minority Interest and Share of Profit / (Loss) of Associates) (11+12+13)</b>	<b>(4,775.05)</b>	<b>(5,281.34)</b>	<b>223.47</b>	<b>(10,056.39)</b>	<b>(1,446.44)</b>
<b>15</b>	Other Comprehensive Income (OCI)	---	36.48	---	36.48	---
<b>16</b>	<b>Total Comprehensive Income (14+15)</b>	<b>(4,775.05)</b>	<b>(5,244.86)</b>	<b>223.47</b>	<b>(10,019.91)</b>	<b>(1,446.44)</b>
<b>17</b>	<b>Earnings Per Share (EPS) (Face Value of Rs. 10/- each):</b>					
	(a) Basic	(11.58)	(12.72)	1.11	(24.31)	(7.16)
	(b) Diluted	(11.58)	(12.72)	1.11	(24.31)	(7.16)





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### Consolidated Unaudited Statement of Assets and Liabilities as per Regulation 33(3)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for half year ended September 30, 2017

Particulars		(Rs. in Lakhs)
		As at 30/09/2017
<b>I</b>	<b>ASSETS</b>	
<b>1</b>	<b>Non-Current Assets</b>	
(a)	Property, Plant and Equipment	6,496.38
(b)	Capital Work-in-Progress	4,604.46
(c)	Investment Property	1,332.24
(d)	Goodwill	4,017.90
(e)	Other Intangible Assets	42.78
(f)	Intangible Assets under Development	---
(g)	Biological Assets other than bearer Plants	---
(h)	Investments accounted for using Equity Method	---
(i)	Invctments in Subsidiaries, Joint Ventures and Associates	---
(j)	Financial Assets	
(i)	Investments	0.25
(ii)	Trade Receivables	---
(iii)	Loans	---
(iv)	Other financial assets	722.68
(k)	Income Tax Assets (Net)	---
(l)	Other Non-Current Assets	---
	<b>Total Non-Current Financial Assets</b>	<b>17,216.69</b>
<b>2</b>	<b>Current Assets</b>	
(a)	Inventories	14,047.12
(b)	Current Financial Asset	
(i)	Current Investments	---
(ii)	Trade Receivables	48,885.73
(iii)	Cash and Cash Equivalents	93.06
(iv)	Bank balance other than Cash and Cash Equivalents	5,994.48
(v)	Loans	224.30
(vi)	Other Current Financial Assets	32,546.90
	<b>Total Current Financial Assets</b>	<b>87,744.47</b>
(c)	Current Tax Assets (net)	---
(d)	Other Current Assets	8,026.52
	<b>Total Current Assets</b>	<b>109,818.11</b>
	Non-Current Assets classified as held for sale	---
	Regulatory deferral account debit balances and related deferred tax Assets	---
	<b>TOTAL ASSETS</b>	<b>1,27,034.80</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>	
	<b>Equity</b>	
(a)	Equity Share Capital	4,122.41
(b)	Other Equity	9,811.02
(c)	Equity attributable to owners of parent	---
(d)	Non-controlling interest	3,275.26
	<b>Total Equity</b>	<b>17,208.69</b>







## Zicom Electronic Security Systems Limited

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(Rs. in Lakhs)

Particulars			As at 30/09/2017
		<b>Liabilities</b>	
<b>1</b>		<b>Non-Current Liabilities</b>	
(a)		Non-current Financial Liabilities	---
	(i)	Borrowings	16,887.20
	(ii)	Trade Payables	---
	(iii)	Other non-current financial liabilities	98.59
		<b>Total Non-Current Financial Liabilities</b>	<b>16,985.79</b>
(b)		Provisions	509.82
(c)		Deferred Tax Liabilities (net)	23.91
(d)		Deferred Government Grants	---
(e)		Other Non-Current Liabilities	88.48
		<b>Total Non-Current Liabilities</b>	<b>17,608.00</b>
<b>2</b>		<b>Current Liabilities</b>	
(a)		<b>Current Financial Liabilities</b>	
	(i)	Borrowings	52,881.32
	(ii)	Trade Payables	15,329.34
	(iii)	Other Current Financial Liabilities	233.66
		<b>Total Current Financial Liabilities</b>	<b>68,444.32</b>
(b)		Other Current Liabilities	19,451.06
(c)		Provisions	4,055.60
(d)		Current Tax Liabilities (Net)	267.13
(e)		Deferred Government Grants, current	---
		<b>Total Current Liabilities</b>	<b>92,218.11</b>
		Liabilities directly associated with assets in disposal group classified as held for sale	---
		Regulatory deferral account credit balances and related deferred tax liability	---
		<b>Total Liabilities</b>	<b>1,09,826.11</b>
		<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,27,034.80</b>

### Notes:

- The above financial results of the Company for the quarter and half year ended September 30, 2017, have been reviewed by the Audit Committee on December 7, 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 and half year 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. 4,798.48 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. 268 lakhs for the quarter under review and Rs. 526 lakhs for half year under review on accrual basis on these term loans.





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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 30<sup>th</sup> 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 and half year 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 previous year ended March 31, 2017, as the same are not mandatory as per SEBI's circular dated July 5, 2016.
6. The Statement of Consolidated Unaudited Assets and Liabilities as at March 31, 2017 are not presented as the same is not mandatory as per SEBI's circular dated July 5, 2016.
7. There is a possibility that these financial results may require adjustment before constituting the final Ind AS financial statements as of and for the year ending March 31, 2018 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA or changes in the use of one or more optional exemptions from full retrospective application as permitted under Ind AS 101.
8. The Government of India has implemented Goods and Service Tax (GST) with effect from July 1, 2017 which replaced VAT, Service Tax and various other indirect taxes. As per Ind AS 18, the revenue for the half year ended September 30, 2017 is reported net of GST. The sales for the period up to June 30, 2017 were reported inclusive of VAT and Service Tax. Sales for the half year ended September 30, 2017 includes VAT and Service Tax up to June 30, 2017. Accordingly sales for the period are not comparable.
9. The Company has entered into one-time settlement agreements with certain parties and has accordingly written off bad-debts amounting to Rs. 2,634.66 lakhs for the quarter under review. As a result, the loss has increased to that extent for the aforesaid period.
10. The Finance Cost includes effect of gain / loss in foreign exchange fluctuations.
11. Exceptional Items for the half year under review 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.
12. The Earning Per Share (EPS) for the quarter under review, for the immediately preceding quarter and half year under review are not comparable with the corresponding quarter and half year of the previous year as the EPS for the former periods have been calculated based on enhanced paid-up share capital.
13. The Company has a single reportable business segment of "Security and Safety".





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14. The Consolidated Financial Results for the quarter and half year consists unaudited financial results of the Company and its following subsidiaries:
- Unisafe Fire Protection Specialists LLC, Dubai, U.A.E. (Consolidated)
  - Phoenix International WLL, Qatar
  - Zicom SaaS Private Limited
  - Unisafe Fire Protection Specialists India Private Limited
  - Unisafe Fire Protection Specialists Singapore Pte. Ltd., Singapore
  - Zicom Security Projects Pte. Ltd., Singapore
15. Previous period figures have been regrouped / rearranged wherever necessary to facilitate comparison.
16. The standalone results will be available on the Company's website [www.zicom.com](http://www.zicom.com) and Stock Exchanges websites [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).
17. Reconciliation of Net Profit for the quarter and half year ended September 30, 2016 reported under IGAAP to Ind-AS:

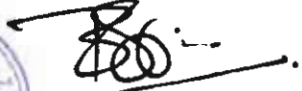
Particulars	(Rs. in Lakhs)	
	Consolidated	
	Quarter Ended 30/09/2016	Half Year Ended 30/09/2016
Net Profit / (Loss) after tax as per Indian GAAP		
Add / (Less): Ind-AS adjustments	262.78	(1,474.46)
1. Actuarial Gain / (loss) on employee defined benefit fund recognized in OCI (Net of Tax)	2.24	6.71
2. Amortization of Goodwill (Net of Tax)	34.83	69.66
Net Profit / (Loss) as per Ind-AS before OCI / Reserve	299.85	(1,398.08)

18. Standalone Details:

Particulars	(Rs. in Lakhs)				
	Quarter Ended 30/09/2017 (Unaudited)	Quarter Ended 30/06/2017 (Unaudited)	Quarter Ended 30/09/2016 (Unaudited)	Half Year Ended 30/09/2017 (Unaudited)	Half Year Ended 30/09/2016 (Unaudited)
Turnover	1,042.66	1,505.07	5,382.57	2,547.73	12,080.28
Profit Before Tax	(3,077.20)	(3,829.98)	(156.12)	(6,907.18)	(141.23)
Profit After Tax and Extraordinary Items	(3,270.86)	(3,625.65)	(135.69)	(6,896.51)	(126.51)

For Zicom Electronic Security Systems Ltd.



  
Manohar Bidaye  
Chairman

Place: Mumbai  
Date: December 7, 2017

**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 half year ended 30<sup>th</sup> September 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 5<sup>th</sup> 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/IndAS-34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under 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. **Basis of Qualified Opinion**

Refer Note No. 1 for non-provision of interest on accrual basis amounting to Rs. 268 Lakhs for the quarter ended and Rs. 526 Lakhs for the half year ended, in respect of one of the Indian Subsidiaries' of the Company with respect to term loans taken from Banks by the said subsidiary Company as the said loans have become Non-Performing Assets.

4. **Qualified Opinion**

Based on our review conducted and *except for the effects* of the matter stated in the Basis for Qualified Opinion paragraph 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 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 SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matter

- a. Refer Note No. 9 of Unaudited Standalone Financial Results of the Company which states that the Company has written off bad debts amounting to Rs. 2634.66 Lakhs for the quarter ended in view of one time settlement agreements with certain parties. As a result, the loss has increased to that extent for the aforesaid period.
- b. Refer Note No. 1 of Unaudited Standalone Financial Results 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. 4798.48 Lakhs. 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.

6. Other Matter

The Consolidated Financial Result includes for the half year ended 30<sup>th</sup> September 2017, Revenue amounting to Rs. 18,981.74 Lakhs and Net Profit/ (Loss) for the half year ended 30<sup>th</sup> September 2017 amounting to Rs. (10,019.91) Lakhs, 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

A handwritten signature in blue ink, appearing to read "S. Parekh".

**Sonal Parekh**  
Partner  
Membership No. 139852

Mumbai, dated 7<sup>th</sup> December, 2017