

Zicom plans to expand to tier II, III cities

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ZICOM Electronic Security Systems has started looking beyond metros to improve its turnover. The company plans to expand its channel strength by about 40 per cent to reach out to small and medium businesses and consumers in tier II and III cities this year.

"We started the exercise in Tamil Nadu last month and have covered Salem, Tiruchirappalli, Madurai and Coimbatore through road shows and partner/consumer education programmes. Over the next two quarters,

we will expand to other cities in South India and then move to the northern states," Bala Rajan, vice-president — product and solutions group of Zicom, told *Financial Chronicle*.

"Ours is a channel-driven business. Earlier, we were supplying to non-metros through our partners in the nearest cities. But, after-sales service became a problem, which would eventually hurt the Zicom brand," he added.

The company has 16 offices across India with over 400 employees and 2,400 partners at present. Zicom markets security systems including CCTV

surveillance, access control, fire alarms and video door phones.

During April 2010, Zicom sold its security systems integration business to Schneider Electric India. As a result, the company's consolidated turnover was reduced to Rs 373.36 crore for the year ended March 31, 2010 from Rs 527.97 crore the previous year. The company announced the restructuring of its business in October 2010 and the move to cover tier II cities is the result of the initiative.

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