

Board of Directors

Mrs. Shashi Soni
Chairperson

Mr. Sanjay Soni
Managing Director

Mr. Vijay Kumar D Gupta
Director

Dr. Devindra Kumar Bhatia
Director

Mr. R N Chawhan
Director

Auditors

M/s Vasan & Sampath
Chartered Accountants
30/1, Jupiter 1, 4th Cross
Jayanagar 7th Block
Bangalore – 560 082

Share Transfer Agents

Cameo Corporate Services Limited
“Subramanian Building”, Vth Floor
1, Club House Road, Chennai - 02
Tel : 91-44-28460390 - 94
Fax: 91-44-28460129
E-mail: cameo@cameoindia.com

Bankers

State Bank of Mysore
Bangalore Main Branch
Bangalore – 560 009

Registered & Corporate Office

Logix Microsystems Limited
177/2C, Bilekahalli Industrial Area
Banneraghatta Road
Bangalore - 560 076, India
Tel : 91-80-67125400 to 5407
Fax : 91-80-67125408
Email : info@logixworld.com

Websites

www.logixworld.com
www.izmocars.com
www.izmoeurope.be
www.logixworld.com/financials.html

INDIA

Bangalore Unit- 2

Logix Microsystems Limited
Bilekahalli Industrial Area
Banneraghatta Road
Bangalore - 560 076, India
Tel : 91-80-67125400 to 5407

Bangalore Unit- 3

Logix Microsystems Limited
493/3, 2nd Floor, Bhrmhalingeswara
Complex, Old Airport Road
Bangalore - 560 008, India
Tel : 91-80-25296532 / 41256413
Fax: 91-80-25210668

Bangalore Unit- 4

Logix Microsystems Limited
177/1B, Bilekahalli Industrial Area
Banneraghatta Road
Bangalore - 560 076, India
Tel : 91-80-67125400 to 5407
Fax : 91-80-67125408

Sales & Marketing Offices

Mumbai

Logix Microsystems Limited
306, Balarama, Bandra Kurla Complex,
Bandra East, Mumbai - 400051
Tel / Fax: 91-22-40061859

Delhi

Logix Microsystems Limited
3rd Floor A-10
Lajpat Nagar- Part-II
New Delhi – 110 024
Tel : 91-11-46575529

Chennai

Logix Microsystems Limited
Niche Business Centre
New No.10, (Old No.18) First Floor
Second Avenue, Harrington Road
Chetpet, Chennai - 600 031
Tel : 91-44-28363372
Fax: 91-44-42139445

USA

Corporate Headquarters

San Francisco

318, Brannan Street, Suite 100
San Francisco, CA 94107
Tel : 415.495.6000
Fax : 415.495.2955

Photography Studio, Long Beach

3940 E. Gilman Street
Long Beach, CA 90815
Tel : 562.597.5740
Fax : 562.597.9616

EUROPE

Brussels Office

Diegemstraat, 45
1800 Vilvoorde
Belgium

Core Management Team - USA

Mr. Tej Soni
President & Founder of izmocars

Mr. Sidney Haider
Vice-President (AddOnAuto)

Core Management Team - India

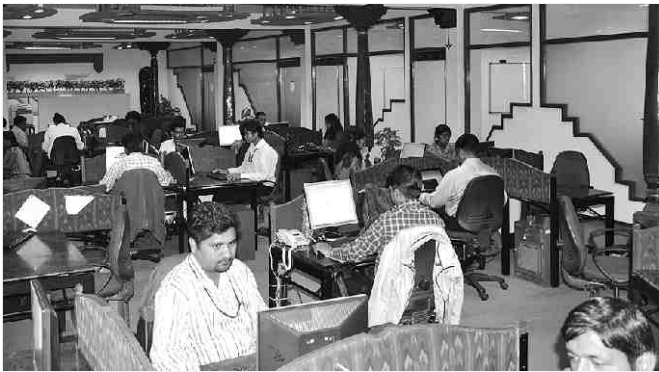
Mr. Ashok Padhye
Chief Operating Officer

Mr. Narayana Rao Badanidiyoor
Finance Controller & Compliance Officer

Mr. Sarbashish Bhattacharjee
Senior Manager (Business Solutions)

Employees @ Logix

At Work



At Play



Notice

NOTICE IS HEREBY GIVEN THAT THE SIXTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF LOGIX MICROSYSTEMS LIMITED WILL BE HELD ON THURSDAY, THE, 29TH DAY OF SEPTEMBER 2011 AT 4:30 PM AT HOTEL CHALUKYA, # 44, RACE COURSE ROAD, BANGALORE- 560 001 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date, together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. R N Chawhan who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mrs. Shashi Soni who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

5. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 81(1-A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the regulations/guidelines, prescribed by the Securities and Exchange Board of India including Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, or any other relevant authority, from time to time, subject to such approvals, consents,

permissions and sanctions, the Board of Directors of the Company(hereinafter referred to as “the Board”, which term shall be deemed to include any Committee including the Compensation Committee and the Compensation Sub-Committee) be and is hereby authorized on behalf of the Company to grant from time to time options under the Stock Option Scheme viz. Employee Stock Option Plan 2011 {ESOP 2011} to apply for Equity Shares and / or warrants with an option for conversion into Equity Shares/Equity linked Securities convertible into Equity Shares of the Company to or for the benefit of such person/persons who are in the permanent employment of the Company and consequently create, issue, offer and allot at any time and from time to time, Equity Shares in terms of such options, the options and the consequential issue, offer and allotment of Shares shall be at such price, in such manner, during such period, in one or more tranches and on such other terms and conditions as the Board may decide.

Provided the total number of options to be granted under ESOP 2011 shall not exceed 5,00,000 Equity Shares of Rs.10/- each or such limits as may be prescribed/stipulated under any of the Statutes/Regulatory Guidelines of the total Shares issued by the Company on the date(s) of grant of such options and that these resolutions shall have effect on and from this date.

RESOLVED FURTHER THAT all acts and deeds done by the Board till date to further the objective of this resolution be and are hereby ratified and approved.

RESOLVED FURTHER THAT subject to the terms stated herein, the Equity Shares in ESOP 2011 shall in all respects rank *pari passu* inter-se as also with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer or grant of options, issue or allotment of Equity Shares pursuant to the options granted, or securities or instruments representing the same, as described above, under any Employee Stock Option Scheme, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions,

Notice

difficulties or doubts that may arise in this regard to such issue(s) or allotment(s) (including power to amend, vary, or modify any of the terms and conditions of the scheme, the grant of options, issue or allotment of equity shares pursuant to the options granted), without being required to seek any further consent or approval of the members, in its sole discretion as it may deem fit."

6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(1-A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the regulations/guidelines, prescribed by the Securities and Exchange Board of India including Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, or any other relevant authority, from time to time, subject to such approvals, consents, permissions and sanctions, the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee including the Compensation Committee and the Compensation Sub-Committee) be and is hereby authorized on behalf of the Company to grant from time to time options under the Stock Option Scheme viz. Employee Stock Option Plan 2011 {ESOP 2011} to apply for Equity Shares and / or warrants with an option for conversion into Equity Shares/Equity linked Securities convertible into Equity Shares of the Company to or for the benefit of such person/persons who are in the permanent employment of the subsidiary Companies and consequently create, issue, offer and allot at any time and from time to time, Equity Shares in terms of such options, the options and the consequential issue, offer and allotment of Shares shall be at such price, in such manner, during such period, in one or more tranches and on such other terms and conditions as the Board may decide.

Provided the total number of options to be granted under ESOP 2011 shall not exceed 5,00,000 Equity Shares of

Rs.10/- each or such limits as may be prescribed/stipulated under any of the Statutes/Regulatory Guidelines of the total Shares issued by the subsidiary Company on the date(s) of grant of such options and that these resolutions shall have effect on and from this date.

RESOLVED FURTHER THAT all acts and deeds done by the Board till date to further the objective of this resolution be and are hereby ratified and approved.

RESOLVED FURTHER THAT subject to the terms stated herein, the Equity Shares in ESOP 2011 shall in all respects rank *pari passu* inter-se as also with the then existing Equity Shares of the subsidiary Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer or grant of options, issue or allotment of Equity Shares pursuant to the options granted, or securities or instruments representing the same, as described above, under any Employee Stock Option Scheme, the Board be and is hereby authorized on behalf of the subsidiary Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard to such issue(s) or allotment(s) (including power to amend, vary, or modify any of the terms and conditions of the scheme, the grant of options, issue or allotment of equity shares pursuant to the options granted), without being required to seek any further consent or approval of the members, in its sole discretion as it may deem fit."

By order of the Board
for Logix Microsystems Limited

Place: Bangalore
Date: September 3rd, 2011

Sanjay Soni
Managing Director

Notice

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself/ herself and the proxy need not be a Member. Proxies in order to be effective must be received by the Company not less than 48 hours before the Meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed on 29.09.2011 for the purpose of Annual General Meeting.
3. Members holding Shares in the same name or same order of names under different Ledger Folios are required to send all their Share certificates to the Company's Share Transfer Agent at Chennai for consolidating all such Share holdings into one Folio to facilitate better service.
4. Members are requested to note that the Company's Equity Shares have been notified for compulsory dematerialization for all investors. Members are requested to open a depository account in their names with a Depository Participant to dematerialize their holdings. This would be necessary for facilitating the transaction of our Equity Shares in all Stock Exchanges connected to the Depository System.
5. Members holding Shares in physical form only are requested to inform the changes if any, in their registered addresses to the Company's Share Transfer Agent, Cameo Corporate Services Ltd., "Subramanian Building", V Floor, # 1, Club House Road, Chennai – 600 002.
6. Members holding Shares in electronic form should address all their correspondence to their respective Depository Participant (DP) only, regarding change of address, change of Bank account/ change of Bank, nomination etc., and not to the Company. The Company will not act on any direct request from such members holding Shares in electronic form for change/deletion in bank details.
7. Members may please address all their documents/correspondence relating to the Equity Shares of the Company directly to the Company's Registrars and Transfer Agents, at the address as stated above.
8. For convenience of members, an attendance slip is annexed to the proxy form.
9. Members are requested to affix their signature at the space provided and fill up all the particulars i.e., DP details, Client ID No. /Folio Numbers and hand over the attendance slip at the place of the Meeting.
10. Un-claimed dividends have been transferred to the General Revenue Account of the Central Government. Consequent upon the amendment to Section 205A read with Section 205C of the Companies Act, 1956, the Dividend declared for the year ended 31st March, 2004, if any, and for any financial year ending thereafter which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund established by the Central Government. Members are requested to note that no claims shall lie against the Company or the said Fund in respect of any amounts which are unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.
11. Members are requested to bring their copy of the Annual Report for the Meeting.
12. Pursuant to SEBI notification no. MED/ DOP/ Circular/05/2009 dated May 20, 2009, it has become mandatory for the transferee(s) to furnish copy of PAN Card to the Company/RTA to enable/effect transfer of Shares in physical form.

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:

As required under the Listing Agreement the particulars of Directors who is proposed to be re-appointed are given below:

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1. Name : Mr. R N Chawhan
- Age : 64 years
- Qualifications : Post Graduate
- Expertise : 35 years of experience in Premier financial institutions
- Other Directorships : Nil
- Membership in Committees : Nil

Attendance record of Mr. R N Chawhan, Director seeking re-appointment (1.4.2010-31.3.2011)

Name of the Director	No. of Meetings held	No. of Meetings attended
Mr. R N Chawhan	5	4

2. Name : Mrs. Shashi Soni
- Age : 70 years
- Qualifications : Under Graduate
- Other Directorships : Nil
- Expertise : Member of Audit Committee and Remuneration Committee of the Company

Attendance record of Mrs. Shashi Soni, Director seeking re-appointment (1.4.2010-31.3.2011)

Name of the Director	No. of Meetings held	No. of Meetings attended
Mrs. Shashi Soni	5	5

EXPLANATORY STATEMENTS UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item nos 5 & 6:

Your Company has been uniformly adopting the philosophy of Stock Option to its employees with a view to encouraging the employees to become part of the Company. The Company also being in information technology segment strongly believes that it is the

manpower with the necessary skill sets and intellectual power which steer the Company. Logically therefore, a mutually strong relationship between the employees and the Company is a necessity. The Stock Option Plan is one of the methodologies of strengthening the binding between the employees and the Company. Identifying, selecting and retaining the right talent in the Industry to which your Company belongs to, is one of the toughest jobs on hand for any Management. Your Company has recognized this as a serious criterion and consequently has conceptualized an Employee Stock Option Scheme with warrants which can be converted into Equity Shares after a specified period.

Approval of the Members is being sought in terms of Section 81(1A) and all other applicable provisions of the Companies Act, 1956, for the grant of options and the consequential issue of Equity Shares under the ESOP 2011.

The proposed Plan will be an ongoing process and the Company is required to commit and issue ESOPs to different personnel including new recruits.

It is also proposed that all the Stock Options be issued at the price arrived at in line with the prevailing Guidelines on the date of grant.

The Directors of the Company may be deemed to be interested or concerned in the resolution to the extent of their shareholding in the Company and to the extent they may be covered by the ESOP.

Gist of the Plan:

- (a) Total number of options to be granted:

The number of options to be granted pursuant to ESOP 2011 scheme shall not exceed 5.00% of the total Shares issued by the Company on the date(s) of grant of options.

- (b) Identification of classes of employees entitled to participate in the ESOP:

Options are offered to permanent employees of the Company, Directors including Whole-time Directors but excluding Promoter Directors or Directors holding in excess of 10% of the Equity Shares of the Company and eligible employees (including Directors whether Whole-time Directors or not) of the

Notice

subsidiary and /or holding company of the Company.

(c) Requirements of vesting and period of vesting:

The continuation of the employee in the service of the Company shall be a primary requirement of the vesting. The Compensation Committee shall formulate the other criteria of vesting, which may inter alia include performance related issues. The vesting period shall commence on the expiry of one (1) year from the date of grant of the option and will extend as may be thought fit by the Compensation Committee.

(d) Maximum period within which the options shall be vested:

The Maximum period within which the options shall be vested is upon the completion of ten years from the date of grant of option.

(e) Exercise price or pricing formula:

Options under the ESOP 2011 would be issued at a price not less than 75% of the market price of Equity Shares on the date of grant or average of the daily high and low of the closing prices of the related Shares, quoted on the stock exchanges, during the month preceding the month on which the options are granted whichever is lower.

(f) Exercise Period and Procedure for Exercise:

The exercise period shall commence from the date of vesting and expire not later twelve months from the date of such vesting and can be further extended to a period of twelve months from the vesting date upon a specific request from the associate concerned, however such an extension may be granted by the Compensation Committee only under special circumstances. The mode or process of exercise of the option will be framed by the Compensation Committee.

(g) The appraisal process for determining the eligibility of employees to the ESOP:

The eligibility criteria for the employees under ESOP will be determined by the Compensation Committee based on qualification, past and present performance,

experience, technical knowledge, professionalism, designation, responsibility, other qualities or such other basis as the Committee may deem fit.

(h) Maximum number of options to be issued per employee and in aggregate:

The maximum number of options granted to any one employee in a year will not exceed 1% of the issued Equity Share Capital of the Company at the time of granting of option.

(i) Power to amend, vary or modify the Scheme:

The Board shall have powers to amend, vary, or modify any of the terms and conditions of the ESOP pertaining to the grant of options, pricing of options, issue or allotment of equity shares or warrants pursuant to the options, without being required to seek any further consent or approval of the Members. The powers granted by the Members pursuant to this resolution will include powers to withdraw, recall, accept surrender or cancel options issued/to be issued pursuant to this resolution or any other earlier approval accorded by the Members in this behalf, and to issue fresh options in lieu thereof at such price, in such manner, during such period, in one or more tranches and on such other terms and conditions as the Board may decide.

(j) Accounting policies:

The Company shall comply with the disclosure and accounting policies prescribed by SEBI and any other appropriate authority in this regard.

By order of the Board
for Logix Microsystems Limited

Place: Bangalore

Date: September 3rd, 2011

Sanjay Soni
Managing Director



Pablo Picasso: Portrait of Daniel-Henry Kahnweiler

*" People who are crazy enough to think they can
change the world, are the ones who do. "*

- Apple "Think Different" Campaign

Directors' Report

Dear Shareholder,

Your Directors have pleasure in presenting the Sixteenth Annual Report together with the Audited statements of accounts for the year ended 31st March 2011.

MANAGEMENT DISCUSSION & ANALYSIS

Financial Highlights:

Amount in Lakhs Rs.

Particulars	Year ended March 31, 2011 (Audited) Stand-alone	Year ended March 31, 2010 (Audited) Stand-alone
Net Sales/Income from Software Services	4058.61	2579.22
Other Income	215.01	601.55
Total Income	4273.62	3180.77
Expenditure		
A. Decrease/(Increase) in Work-in-Progress	195.15	447.12
B. Direct Costs	2166.19	156.65
C. Staff Cost	1076.44	1,333.66
D. Other Expenditure	503.84	779.21
Interest	58.86	57.90
Gross Profit/(Loss) after Interest, but before Depreciation, Tax and write-offs	273.12	406.23
Depreciation	116.29	149.26
Profit before Provision and Write-offs	156.83	256.97
Provision against Investments	4.22	75.98
Profit before Taxation	152.61	180.99
Provision for Taxation	4.24	30.66
Prior Period Expenses	-	7.42
Net Profit	148.37	142.91

PERFORMANCE

The performance for the year has shown a marked improvement over the previous year. This is primarily due to the rebounding Indian economy and a gradual albeit slow recovery in the US market. As a result, the total income has increased by 57.36% over 2009-10.

While sales of Enterprise Connectivity Solutions exhibited a 1140% increase over FY 2009-10, international sales of Izmocars products recorded a drop of approx. 24% as compared to FY 2009-10. Income from the Indian portal Carazoo showed an impressive jump of 51% in 2010-11 as compared to the previous year.

Sales in Europe have also shown an increasing trend though they remained below expectation. The European economies with the exception of Germany are in the grip of a recession. Therefore, businesses are hesitant to invest in new products and solutions. However, we have been able to sign up some European portal clients who are buying photographic content from Izmocars BVBA (the Company's European subsidiary).

Your Company's major market i.e. the United States has not yet recovered from the effects of the 2008 crisis. Unemployment is at 9.1% and refuses to come down as employers are not hiring. Americans have become net savers after nearly 6 years of spending more than they earn. This has had a cascading impact on sale of all items whether it is automobiles or even gasoline.

Despite that, the Company's customer base in the United States is steadily increasing again after nearly 2 years of continuous erosion. Your Company has been able to add more than 250 customers in the financial year 2010-11. We expect this to increase more rapidly in the current financial year. The major product driving the increase in customers is AddOnAuto (AOA). More than 300 Toyota dealers all over the United States use AOA to sell car accessories. This is as compared to just 75 in the year 2009-10. The new product iService launched in 2010-11 has also received a good response and we expect to see a large number of installations in the current year.

In the Indian market, sales of Carazoo products have picked up significantly. More than 90 dealers spread all over India use the Company's products to manage various aspects of their online dealership business. The Company has customers selling Maruti, Tata, Mahindra, Ford, Honda, Mercedes, Renault, and Volkswagon cars. These customers are located in Bangalore, Mumbai, Delhi, Pune, Ahmedabad, Surat, Alwar, Chandigarh, Ludhiana, Amritsar and Bhopal. www.carazoo.com is now the 4th most visited automotive portal in India. It is ranked 2nd in terms of number of page views and leads generated.

ANALYSIS OF EXPENSES

Direct cost of operations have increased substantially in the year. This is a consequence of higher sales in the Enterprise Connectivity Division. As a percentage to sales, this has increased by approx. 6% over the previous year.

Operating expenses have fallen by nearly 20 % over last year. This has been led by a reduction of 19.28% in employee expenses and a nearly 38% decrease in administrative expenses. Your Company has been on a major cost cutting drive since the last 12 months and has been able to optimize costs while at the same time increase revenues.

Selling expenses have shown a slight increase over the previous year. Financial expenses have remained more or less flat despite an increase in the rate of interest charged by the banks.

Your Company has made a provision of Rs. 4.23 lakhs towards reduction in value of investments. This figure is much lower than the previous year.

PROFITABILITY

Your Company has maintained its profit at similar levels to the previous year despite the drop in other income from Rs. 60.15 million in 2009-10 to Rs. 21.50 million in the current year. This has been possible due to a steep reduction in operating costs and increase in employee productivity.

Your Company's profitability in the current year should show a marked improvement over 2010-11 as we expect the revenues to increase substantially while costs would be maintained at the same level.

Directors' Report

BUSINESS OVERVIEW OF AUTOMOTIVE BUSINESS

USA

U.S. Automotive retail is showing signs of a strong rebound to pre-recession levels. This sector reported an 8% overall gain in August, with the Detroit “BIG Three”, General Motors, Ford, and Chrysler, showing double-digit growth. The seasonally adjusted annual rate for light vehicles was at 12.1 million units for August, up from 11.5 million last year.

GM sold 218,479 vehicles, an 18% gain from a year ago. Retail sales to consumers were the bright spot with a 22% increase, while fleet sales rose 8%.

Ford sales rose 16% for the month to 175,220, in spite of supply chain issues with its popular Focus compact. Lincoln sales is up 25 percent. To cope with demand, Ford has scheduled a 9 percent rise in North American production for the fourth quarter from year-earlier levels. Output through July was up 12 percent.

Chrysler was able to beat analyst expectations with a 30.6% increase in August sales to 130,119. The company continued to benefit from the performance of its Jeep brand, which was up 58 percent in August and is up 50 percent for the year.

Nissan sales rose 19% to 91,541 units, and Hyundai sales by 9% to 58,505 vehicles.

Volkswagen sales rose 10.4% to 25,232. The company has now seen seven straight months of double-digit growth in the U.S.

The only exceptions to the trend were Honda and Toyota. Both companies reported sales drops mainly due to supply chain issues caused by the earthquake in Japan.

CAUTIOUS, DIVERSIFIED GROWTH

The actual number of U.S. auto dealers showed a growth of 66 new dealerships, for the first time in over a decade. Post recession, U.S. auto dealers are adopting a cautious approach, with the focus shifting to innovative efforts to find and leverage new revenue streams.

“Running out of cars to sell? Push those floor mats, tinted windows and fancy wheel and tire packages. That's what Japanese-brand auto dealers did in June, according to a study of accessory sales.” reported USA Today DriveOn, quoting the Accessory Trend Report published by izmocars, based on a survey done among dealers using AOA to sell accessories.

This innovative effort alone resulted in an average increase in accessories sales by \$525 per vehicle-sold, with average gross margins of 46.4% and average net profit margins of 32%.

Likewise, dealers are increasingly looking at the long tail of profits, with emphasis on optimizing profit avenues like service, body shop, and increasingly, from long term customer relationship cycles and referrals.

RETAIL CONSOLIDATION

The Auto retail sector is also witnessing consolidation, with Publicly held auto retail chains spending \$411 million in acquisitions through the end of July, a 92% increase over 2010. Full-year 2011 acquisitions might even cross the \$750 million mark.

Stronger auto sales, fewer marginal dealerships, lower operating costs and record dealership profitability are making acquisitions more attractive. Low real estate prices and interest rates also are contributing to the rebound. Toyota, Honda, Lexus, BMW and Mercedes-Benz dealerships are topping the list.

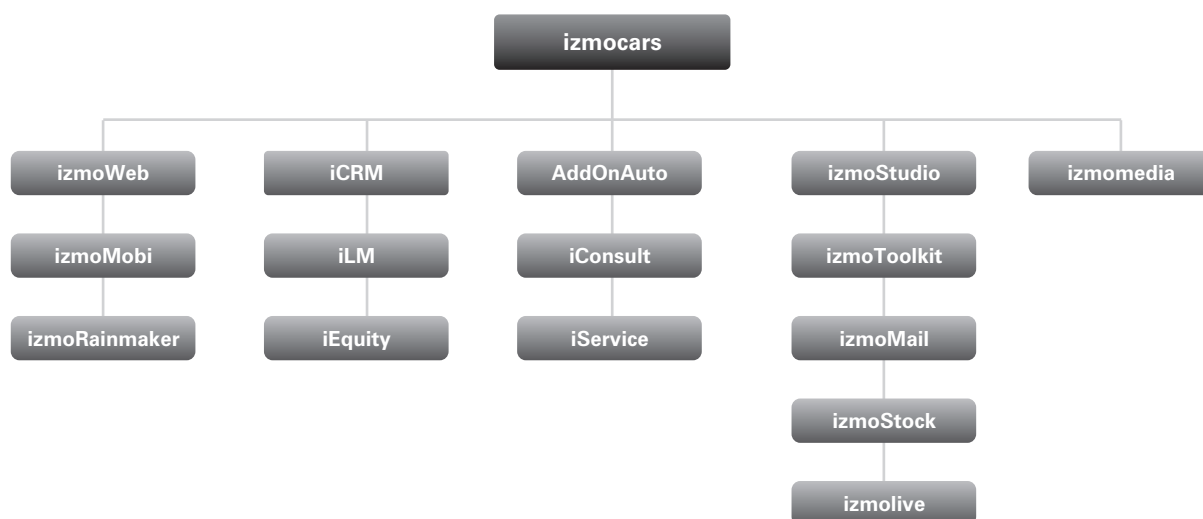
BUSINESS INNOVATION

The business landscape of U.S. auto retail is going through drastic changes, driven by changes in market equations, with connected and empowered customers largely in control of the dialogue. Dealerships are abandoning the old transactional approach to sales in favor of building long-term, mutually profitable relationships with customers and prospects. As a result, new revenue opportunities are opening up for dealers, mainly in accessories, service, and customer relationship management.

Your Company is ideally positioned to leverage these business opportunities. AOA (AddOnAuto), the Accessories sales solution of Izmocars, the wholly owned subsidiary of your Company, is the Industry leader in the accessories market. iService, the izmo service management solution is gaining market share. iCRM and iLM, the Izmocars automotive Customer Relationship Management and Lead Management Solutions, are also ideally positioned to gain from the market consolidation, since izmo solutions have enterprise management capabilities built in something which is critical in a multi-brand, multi-dealer, multi-location environment.

izmocars is the only solutions provider in the U.S. who can provide the entire suite of solutions required by dealers to profit from the new impetus visibly in the market. The izmo solution suite for auto dealers include "Virtual Showroom" Websites, Online Marketing and Social Media, Automotive CRM and ILM, Data Mining, Accessories Sales, Service Management, and Dealership Performance Consulting.

As a result, automotive manufacturers are increasingly evincing strong interest in izmo solutions, with Toyota and Nissan already opting for AOA accessories sales solution. Negotiations are on with several other automotive OEMs.

izmocars SOLUTIONS**izmocars Solutions Map**

To know more about our Solutions,
Please scan the QR code with
your smartphone.

AddOnAuto

In-store Accessories Sales



Related Products

iConsult

Sales Performance Coaching

iService

Sales Performance Coaching for Service

AOA is a Virtual Accessories Store, incorporating a high-quality Visual Configurator with a Virtual Inventory System, enabling dealers to sell accessories efficiently.

Visual Accessories Configurator

- Using AOA's advanced CGI technology, customers can virtually add or remove accessories, instantly viewing them on their vehicle of choice, and make their decision in minutes.

Virtual Inventory

- AOA gives clients access to their own Virtual Inventory system of accessories, enabling them to sell without the need to hold a physical inventory.
- It connects clients directly to a large vendor database, which is constantly updated, giving them sales power without the expense.

www.izmocars.com/solutions/aoa.html

izmoWeb

Intelligent Web Design



Related Products

izmoMobi

Mobile Websites

izmoToolkit

Internet Tools for Successful Auto Business

izmoMail

Interactive Customer Communication

izmoWeb is your interactive online dealership designed to differentiate your unique brand from the competition and help you increase sales.

izmoWeb uses visually rich interactive tools, making the visitor experience engaging, informative, and fun.

izmoWeb's interactive animations encourage your prospects to easily connect with the "right car". A prospect using an izmoWeb site will "fall in love" with the car!

The result is increased time spent on your website, which in turn results in a higher percentage of leads and increased conversions.

www.izmocars.com/solutions/izmoweb.html

izmoMobi

Mobile Websites



Related Products

izmoWeb

Intelligent Web Design

izmoMobi is a mobile website solution, bringing automotive websites into the hands of millions of consumers worldwide through their mobile phones. izmoMobi provides advanced functionality, allowing viewers to search for vehicles and contact the dealer with a single-click.

izmoMobi incorporates a complete website delivery and flexible management system, allowing you to work the way you want.

izmoMobi helps dealers get access to the largest growing consumer base in the world. Dealers can now stay in touch with prospects even when they are on the road and increase website coverage to include more consumers.

Direct lead generation with mobile phone contact information is another unique advantage of izmoMobi.

www.izmocars.com/solutions/izmomobi.html

izmoRainmaker

Organic Online Marketing



Related Products

izmoWeb

Intelligent Web Design

iLM

Internet Lead Management

izmoRainmaker is a comprehensive, interactive, Internet marketing solution developed exclusively for the automotive retail industry by online marketing experts. Every izmocars customer works with a dedicated Rainmaker team, whose job is to increase website traffic and market your brand online through Search Engine Marketing (SEM) for car dealers, Social Media Marketing (SMM), and Search Engine Optimization (SEO).

izmoRainmaker Offers:

- Creative Services
- Social Media Marketing - Facebook, Twitter, LinkedIn...
- Interactive Marketing Campaigns
- Organic Search Engine Optimization
- Website Optimization
- Online Brand Marketing
- Research & Data Analysis

www.izmocars.com/solutions/izmorainmaker.html

iCRM

Customer Relationship Management



Related Products

iLM

Internet Lead Management

iEquity

Actionable Customer Intelligence

iCRM is an enterprise class Customer Relationship Management solution for the Automotive industry.

iCRM is delivered as a service, is completely web-based and contains the following core functionalities:

- Sales Force Automation
- Finance & Insurance
- Campaign Management
- Service Management
- Business Development Center (BDC)

iCRM is certified by Ford, Jaguar, Lincoln, Volvo, Land Rover, Mercury, GM brands including Buick, GMC, Pontiac, Cadillac, Hummer, Saturn, Honda, Acura, Nissan, Infiniti, Mercedes Benz, Chrysler, Subaru, Saab, and Mazda.

www.izmocars.com/solutions/icrm.html

iService

Online Service Booking and Management



Related Products

iConsult

Sales Performance Coaching

iLM

Internet Lead Management

iService is the automotive Industry's first comprehensive online vehicle service management solution for auto dealers. This innovative service management solution allows service customers to schedule their service appointments online, and dealer service departments to efficiently manage service appointments and optimize shop loading, resulting in better revenue, and loyal customers.

iService helps dealers achieve:

- Better Service Management
- Higher Profitability
- Increased CSI Scores
- Higher Service Department Productivity
- Reduced Loaner Expenses

www.izmocars.com/solutions/iservice.html

izmoStudio

Automotive Imagery & Animation



Related Products

izmoStock
Automotive Stock
Photography

izmoToolkit
Internet Tools for Successful
Auto Business

izmoMail
Interactive Customer
Communication

izmoStudio is the world leader in Digital Imagery and Interactive Media Solutions for the Automotive vertical, since 2002. izmoStudio produces High Quality Photographic Images and Digital Animations for the North American and EU markets, covering all major makes and models.

Large Automotive Photography Studios strategically located in Long Beach, USA and Brussels, Belgium, combined with state-of-the-art post-production facilities in Bangalore, enables izmoStudio to quickly produce large volumes of work, covering about 600 automotive models.

Presently, the izmoStudio client list includes leading portals like Yahoo!, AOL, AutoUSA, and Jato Dynamics, as well as OEMs like GM, Ford, and Mitsubishi Motors.

www.izmostudio.com

Indian Automotive Industry all set to attain leading Global Stature

A market-scorching growth rate in the region of 30% over the last two years has raised analyst expectations about the Indian automotive industry hitting the global top two spot inside five to seven years. The recent slowdown, due to external factors like anti-inflationary measures by the Reserve Bank of India (RBI) and high fuel costs, may have slowed down this phenomenal growth, but the Industry is optimistic that once lower fuel prices reach the Indian market and RBI relaxes credit controls, Indian automotive sales will take off once again.

In spite of the unfavorable credit environment and internal strife at the Manesar plant, market leader Maruti Suzuki still managed to sell 77,086 vehicles in August. Hyundai Motor India Ltd, the country's second largest car manufacturer and the largest passenger car exporter, sold 26,677 vehicles in the same month. Tata Motors, a Fortune 500 company, sold 18,031 automobiles in August.

On the other hand, Toyota Kirloskar Motors, Ford India, General Motors, Honda, and Volkswagen showed impressive growth. Toyota sold 84% more vehicles in August at 11,693 units, mainly on strong demand for its Etios and Liva models. Ford India reported 9% more sales at 8,914 units and General Motors was up 14% at 9,050 units, driven by the success of Beat Diesel. Volkswagen sold 6,091 units, 72% more than 3,531 units sold in the same month last year. Honda Sael Cars India reported 25% growth in August at 6,907 units, fuelled by the lower-priced Honda City. Analysts expect this situation to vastly improve once auto sales pick up during the festive season starting from September.

To cope with fast paced growth and fierce competition, car dealers are now increasingly turning to web based technology solutions. Carazoo, the only Automotive solutions provider in the Indian market to provide Virtual Dealer Showrooms complete with interactive vehicle walk-arounds and interiors, is now experiencing fast-paced growth, with the company crossing the 100 dealer milestone in the last quarter of FY 2010-11. The Carazoo suite of solutions also include online marketing, Accessories Sales, and CRM and Lead Management solutions.

EUROPE: THE NEW FRONTIER

In spite of economic trouble in many member states, Europe still managed to sell 1,089,118 vehicles last April. For the first four months of 2011, registrations totaled 4,674,457 vehicles, only 2.7% less than over the same period a year earlier. Buckling this slightly negative trend, Germany managed to show a 2.6 percent upswing in sales.

Volkswagen, the market leader, added 1.7 percent to its market share. GM climbed from rank 6 to rank 4, adding 0.4 percent of share, while Ford dropped from 4 to 5 and Fiat lost 1.2 percent of market share and dropped to place 6 from 5.

In a market dominated by traditional advertising and sales, this market flux is providing added impetus to take automotive retail marketing online. izmocars BVBA, the EU division of izmocars, is making large forays in this space, and several new initiatives are scheduled to be launched in the coming months.

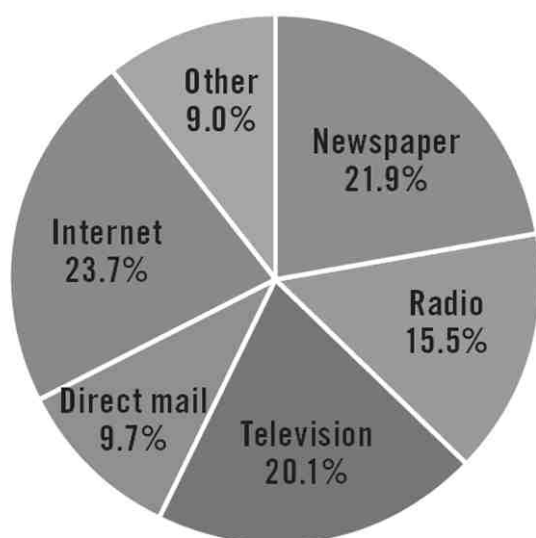
MARKET OPPORTUNITY AND GROWTH STRATEGY

USA

The 17,725 car dealerships in the U.S. improved their profitability in 2010 through strict cost control, such as reducing rent and real estate costs, cutting advertising expenses and maintaining lower floorplan costs, reports the NADA State of the Industry report. Net dealership profitability before taxes increased to 2.1 percent in 2010 from 1.5 percent in 2009, and vehicle sales per dealership on average were up about 19 percent (New Vehicles) and 21 percent (Used Vehicles), in 2010.

Total dollar sales at the nation's new-car dealerships increased 17 percent in 2010, the first full year of post-recession growth. Used-car department sales improved in 2010, with a 10 percent increase in transaction prices and a 13.4 percent gross margin on retail used selling prices after years of soft sales caused by oversupply and high new-vehicle incentives and then recession. Higher used-car prices increased the trade-in equity for customers. 18 states in the US had average dealership sales exceeding \$30 million.

THE INTERNET IS NOW THE DOMINANT PLAYER



Source: NADA Data 2011

Driven by the prohibitive cost of traditional advertising as well as OEM initiatives to take the dealership online, the average dealer in the U.S. is now enthusiastic about online sales and dealer operations. As a result, Internet marketing now consumes 23.7% of the \$335,598 per dealer average annual advertising budget, while newspapers are allocated only 21.9%, TV only 15.5%, and Radio, 14%. This paradigm shift in dealer marketing behavior presents a unique market opportunity for izmocars, which is the only online solutions provider who can equip dealers with the entire range of services required to create, operate, and market a profitable online dealership.



- 360° Tour ▶
- Interior Pano ▶
- Hot Spots ▶
- Colours ▶

Paint your car with your favourite colour.



Velvet Red

Car Choice, simplified.

Virtual Touch & Feel | Real-time Comparison | Interactive Animations

Log on to: www.carazoo.com · www.carazoo.mobi

Colour

360°

Hot Spots

Interior

Gallery

Compare



Best Website
Design Award
2008



CLICK. COMPARE. CHOOSE.

These services include high-converting interactive websites, social media friendly online marketing, enterprise-class dealer CRM and ILM systems with data mining capabilities and social media plug-ins, virtual accessories systems that add six figure monthly incomes to dealer bottom-lines, online vehicle service scheduling and management systems that encourage customer self-service and at the same time, optimize shop-floor loading and manpower scheduling to get more done with less, and a dealer performance consulting system that ties it all together to create a highly profitable, customer retaining, future-friendly dealership.

This vision of izmocars - the full service digital dealership - is now finally a reality whose time has come. Even now, solutions like AOA, the izmocars accessories sales solution, is seeing exponential growth, and we expect this trend to further gain steam, with dealer consolidation demanding dealer solutions with enterprise capabilities, something which our competitors lack to a great extent.

With an average monthly spend for digital services to the tune of \$15,000 per dealer, this represents an annual market opportunity of approximately US \$ 265.87 million in recurring high margin revenue.

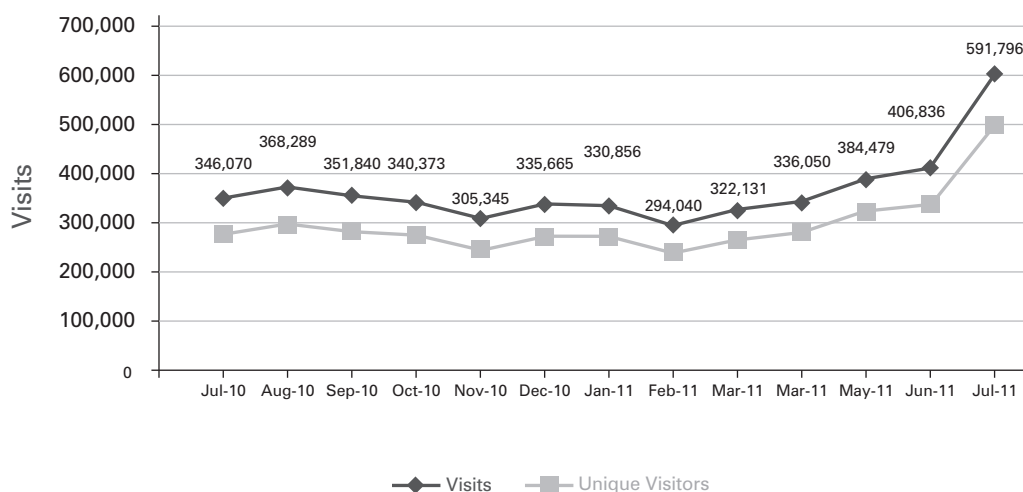
EUROPEAN UNION

Your directors are proud to report that izmocars Europe BVBA has been able to expand its client-base to include Aston Martin, Toyota, Mitsubishi, Renault, Hyundai, and Chevrolet Europe in the OEM segment, as well as Euro RSCG and Rabitt/Striker, Mantree, 11ho9, D'ieteren, Lites and Meinauto. Services now being offered include studio services, custom photography, interactive virtual dealership websites, online marketing and social media, retouched used car image portfolio, lead management, and accessories sales.

INDIA

Carazoo, the Indian portal and Automotive Solutions provider of Logix Microsystems Limited, has achieved impressive growth in the last fiscal and is one of the most popular automobile portals in India. The portal clocked 591,796 visitors/month, up from 4,00,000 visitors/month last year.

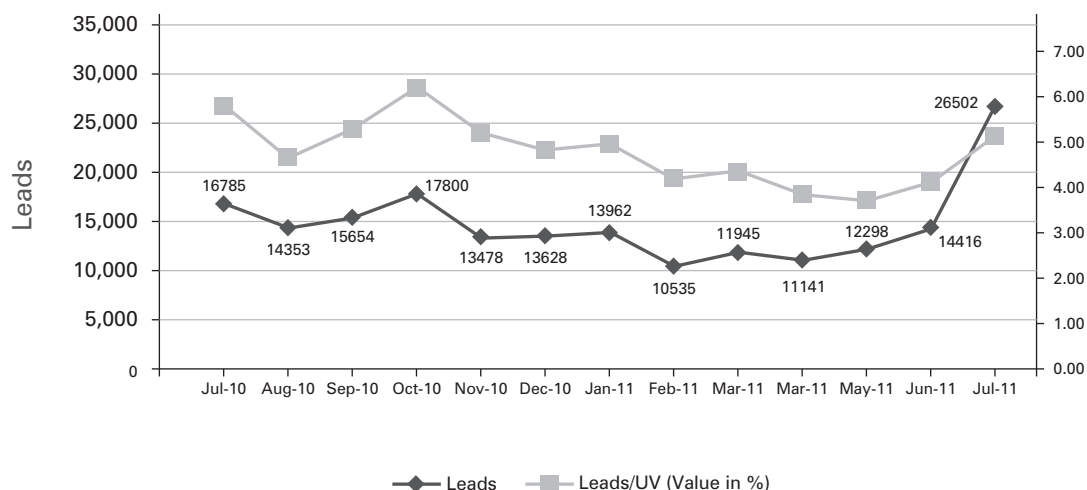
VISITS



Directors' Report

Leads generated per month have increased to 26,502/month, up from around 18,000 last year. The Carazoo portal completed 4 years in August 2011.

LEADS



Tie-ups with HDFC Bank for loans and other vendors for used cars have enabled Carazoo to offer value-added services to its visitors.

Carazoo.com is India's only Car portal that provides a multi-brand Online Showroom experience to prospective car buyers. Visitors can request to test drive any car and also get car dealers to chase their business. Carazoo was the first to introduce the concept of Online Showrooms for Car Dealers in India. Continuing its Success with the initial car dealer online showrooms, it has now designed and developed more online showrooms for leading dealers and had recently crossed the 100 store mark. Some of these Carazoo-powered online showrooms are: Bimal Auto, Sagar Auto, Kataria Automobiles, Fortpoint Automotive, Trident Automotive Group, Shaman Auto Group, Landmark Group, Koncept Group, Joshi Auto Zone, etc.

Carazoo is also offering Online Marketing Solutions to Auto Dealers. Earlier, Google acknowledged the online advertising prowess of Carazoo in a case-study.

Carazoo also developed www.arababul.com, Turkey's first Car Portal with Interactive Animations for a client in Istanbul, Turkey.

Cap Gemini names Carazoo one of the 7 Global Players

On a strategic evaluation, Cap Gemini named Carazoo as one of the 7 Global entities that will influence Auto Retailing along with Yahoo, eBay, Wal-Mart, and Edmunds.com.

Carazoo also offers virtual dealership websites and online marketing to automotive retailers. Having crossed the 100 dealer mark, Carazoo is the dominant player in this space.

GROWTH PATHS

With the U.S. consumer demand for new cars increasing to pre-recession levels, dealer profitability is up by more than 43.7 percent, resulting in more spend on innovative marketing solutions and platforms. Consequently, izmocars saw rapid growth in segments like accessories sales.

As discussed earlier in this report, the complexity of the digital portfolio of a typical dealer now makes it imperative for dealers to move from disparate providers of various stand alone services to integrated service offerings. izmocars expects rapid growth as a full-service provider of the entire digital portfolio of dealers, once the trend to move towards integrated solutions pick up pace.

Lateral growth into other high- potential markets like Europe and Asia would also fuel exponential growth for izmocars, since all of izmocars solutions can be adopted across geographies.

The India advantage of high-end support services at a relatively modest cost is another factor that greatly supports the organic growth of the company. Unlike other players, the India component is not merely another cost-cutting factor for izmocars - it is integral to the very corporate structure of the company, built into its corporate DNA.

GROWTH STRATEGIES

In the near term, izmocars aims to consolidate market position and thought leadership as the only end-to-end Automotive e-Solutions Provider in US automotive retail, capable of providing the entire range of digital services now required to run a profitable dealership, ranging from dealer websites, mobile websites and portals to online marketing, social media, social media connected CRM and ILM systems, accessories sales, service management, integrated telephony, and dealer performance consulting,

izmocars is also well-positioned as the innovation leader of the Industry, providing solutions like AddOnAuto, an accessories sales solution which is now the market leader in the U.S.

The company is also consolidating its market leadership in the OEM space for high-end imaging, automotive animation, and web solutions by expanding its OEM portfolio to include the full izmo solutions suite, and adding more OEMs to the current list of GM, Ford, Toyota, Mitsubishi, Nissan, Aston Martin, Renault, and Hyundai.

SUBSIDIARIES

As required under Section 212 of the Companies Act, 1956, the audited statements of accounts along with the Directors' Reports thereon of the Company's subsidiaries for the year ended March 31, 2011, are to be annexed with this Report. However as per Ministry of Corporate Affairs' General Circular no. 2/2011 dated 8th February, 2011 the Ministry has granted general exemption from attaching the audited account of subsidiaries to Holding Company's Annual Report to all the Companies subject to certain disclosures to be made in the Annual Report of the Holding Company. The same disclosures have been made in the prescribed format and forms part of this Report.

DIVIDEND

The performance for the year has been greatly impacted by the recession in United States, The Company's major market. In spite of this your Company made a small surplus in the Profit & Loss Account. However, the Board has thought it prudent to conserve resources and therefore decided not to declare any dividend in respect of the past year.

FIXED DEPOSITS

Your Company has not accepted any deposits.

HUMAN RESOURCES

As on March 31, 2011 the employee strength was 250. This includes staff in India and in overseas offices.

Some of the Online Showrooms

Carazoo.com have designed many "Online Showroom" web portals for various clients in India and Europe including The Landmark Group, Landmark Honda, Landmark Volkswagen, Joshi Group, Joshi Tata Fiat, Joshi Hyundai, Bimal Maruti, Trident Renault, Sehgal Maruti, Hero My Bike, Honda My Wings, and Fort Point Automotive.

CAR DEALER WEBSITES



Landmark Group



Landmark Honda



Landmark Volkswagen



Joshi Group



Joshi Tata Fiat



Joshi Hyundai



Bimal Maruti



Trident Renault



Sehgal Maruti

TWO WHEELER DEALER WEBSITES



Hero My Bike



Honda My Wings



Fort Point Automotive

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. R.N. Chawhan, and Mrs. Shashi Soni, Directors of the Company retire by rotation and are eligible for re-appointment.

AUDIT COMMITTEE

Audit Committee constituted by the Board of Directors with requisite composition to fall in line with the prevailing laws continued to discharge its functions during the year under report.

AUDITORS

Messrs Vasan & Sampath, Chartered Accountants, the retiring Auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The Company has received a certificate from them that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

AUDITORS' REPORT

As regards the comments of the Auditors in their Report dated 03rd September 2011 relevant notes on accounts are self explanatory.

PARTICULARS OF EMPLOYEES

A Statement of particulars of employees as required under Section 217(2A) of the Companies Act, 1956 is annexed and forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors have fulfilled their responsibility for the preparation of the accompanying financial statements by taking all reasonable steps to ensure that:

These statements have been prepared in conformity with generally accepted accounting principles and appropriate accounting standards. Judgments and estimates that are reasonable and prudent have been made where necessary.

The accounting policies selected and applied consistently give a true and fair view of the financial statements.

The Company has implemented internal controls to provide reasonable assurance of the reliability of its financial records, proper safeguarding and use of its assets and detection of frauds and irregularities. Such controls are based on established policies and procedures, and are implemented by trained, skilled, and qualified personnel with an appropriate segregation of duties.

The Company's Statutory Auditors, Messrs Vasan & Sampath, Chartered Accountants, have audited the financial statements in accordance with generally accepted auditing standards and practices as indicated in their report.

GOING CONCERN

In view of the initiative taken in development of diversified products, which promise potential business, the Directors consider it appropriate to adopt the financial statements on a going concern basis.

Directors' Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars of Board of Directors) Rules, 1988, are as follows:

A. Conservation of Energy

The operations of the Company are not energy intensive. Adequate measures have been taken to conserve and optimize the use of energy through improved operational methods.

B. Technology Absorption and Research & Development (R&D)

The Company uses the latest technology available in modern technology applications. Indigenous technology available is continuously being upgraded to improve overall performance. The Company has a dedicated team of technically competent personnel who relentlessly work on technology up gradation and development related fields.

Research and Development continues to be given very high priority in Software Technology in the area of telecommunications, and hardware technology in the area of embedded systems.

C. Foreign Exchange Earnings & Outgo

During the year, the details of Foreign Exchange transactions were:

Earnings - Rs 1,739.54 Lakhs

Outgo - Rs 112.30 Lakhs

ACKNOWLEDGMENT

Your Directors place on record their deep appreciation for the support extended by the business associates, customers and vendors. Your Directors place on record their gratitude of the significant contribution made by employees at all levels who have been instrumental in enabling your Company to make rapid progress during the year. Your Directors also thank Bankers, Government and Quasi Government Agencies, STPI Authorities, Capital market, media and the shareholders fraternity for their support during the year.

Place: Bangalore

Date: September 3rd, 2011

By Order of the Board
for Logix Microsystems Limited

Shashi Soni
Chairperson

izmoStock Automotive Imagery



DISCLOSURES IN COMPLIANCE WITH CLAUSE 12 OF THE SECURITIES & EXCHANGE BOARD OF INDIA (EMPLOYEE STOCK OPTION SCHEME AND EMPLOYEE STOCK PURCHASE SCHEME GUIDELINES, 1999), AS AMENDED ARE GIVEN BELOW:

Particulars	ESOP 2006
1 Total number of options under the Scheme	264500
2 Options granted during the year	NIL
3 Pricing Formula	Rs.40
4 Options vested during the year	NIL
5 Option exercised	NIL
6 Total Number of shares arising as a result of exercise of options	NIL
7 Options lapsed/forfeited during the year	NIL
8 Variation of terms of options	NIL
9 Money realised by exercise of options (Rs.)	NIL
10 Total Number of options in force	174000
11 (a) Any other employee who received a grant in any one year of option amounting to 5% or more of options granted during the year	NIL
(b) Identified employees who were granted options equal to or exceeding 1% of the Issued capital (excluding outstanding warrants and conversions) of the Company during the year	NIL
12 Diluted earnings per share pursuant to issue of shares on exercise of options calculated in accordance (with Accounting Standards (AS) 20, Earnings per share)	1.23

* Options Granted for 2006 —400000 Shares

Annexure A

Annual Report 2010 - 11

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO COMPANY'S INTEREST IN THE SUBSIDIARY COMPANIES FOR THE FINANCIAL YEAR 2010-11

Name of Subsidiary	Izmo Europe BVBA	Logix Americas Inc. and its subsidiaries	Midrange Software Pte Ltd
1. The Financial year of the Subsidiary Companies ended on	31.03.2011	31.03.2011	31.03.2011
2. Date from which they became Subsidiary companies	27.06.2008	26.6.2000	10.1.2000
3. Number of shares held by Logix Microsystems Ltd. with its nominees in the Subsidiaries as at 31.03.2011 (Including Shares pending allotment)	1,359,093	# 100,000 Equity Shares of US \$ 195.01 each fully paid up	1,904,915 Equity Shares of Singapore \$ 1 each fully paid up
Extent of interest of Holding Company as at 31.03.2011	100%	100%	100%
4. The net aggregate amount of the Profit/(Loss) so far as it concerns the members of the Holding Company.			
* Not dealt with in the Holding Company's Accounts			
(a) For the Financial year ended 31.03.2011	(Euro 500,653.49)	USD 838,456.18	SGD 54,933.04
(b) For the previous Financial years of the Subsidiary Companies since they became the Holding Company's Subsidiaries.	(Euro 240,543.85)	USD 183,228.93	SGD 215,532.64
* Dealt with in the Holding Company's accounts			
(a) For the Financial year ended 31.03.2011	NIL	NIL	NIL
(b) For the previous Financial years of the Subsidiary companies since they became the Holding Company's Subsidiaries	NIL	NIL	NIL

Sn Particulars	Izmo Europe BVBA	Logix Americas Inc and its subsidiaries	Midrange Software Pte Ltd
(a) Capital	EUR 1,359,093.00	USD 21,119,863.00	SGD 1,904,915.00
(b) Reserves	(EUR 991,649.34)	USD 1,520,073.28	SGD 48,886.34
(c) Total Assets	EUR 861,067.07	USD 39,386,716.82	SGD 3,045,850.36
(d) Total Liabilities	EUR 493.623.41	USD 16,746,780.54	SGD 1,092,049.02
(e) Details of Investment (except in case of investment in the subsidiaries)	EUR 0.00	USD 0.00	SGD 0.00
(f) Turnover	EUR 166,975.64	USD 5,566,883.14	SGD 137,130.56
(g) Profit before Taxation	(EUR 500,653.49)	USD 838,456.18	SGD 54,933.04
(h) Provision for Taxation	EUR 0.00	USD 0.00	SGD 0.00
(i) Profit after Taxation	(EUR 500,653.49)	USD 838,456.18	SGD 54,933.04
(j) Proposed Dividend	EUR 0.00	USD 0.00	SGD 0.00

Annexure: Report on Corporate Governance

1. Company's Philosophy on Code of Corporate Governance

The Company's Philosophy of Corporate Governance is aimed at assisting the top management of the Company in the efficient conduct of its business and in meeting its obligations to shareholders and stakeholders.

2. Board of Directors

The Board of Directors of the Company is comprised of

- 1 Independent Non-Executive Director
- 2 Non-executive Director and
- 3 Executive Directors

The Attendance of each Director at the Board Meetings, last Annual General Meetings and Relationship with other Directors were as under:

Name of the Director	Category	No. of Board Meetings Attended	Last AGM Attendance (Yes/No)	Relationship with other Directors
Mrs. Shashi Soni	Executive	5	No	Yes
Mr. Sanjay Soni	Executive	5	Yes	Yes
Mr. Vijay Kumar D Gupta	Non-Executive	3	No	No
Dr. Devinder Kumar Bhatia	Director	1	No	No
Mr. R.N. Chawhan	Independent Director	4	No	No

Number of Board Meetings held and the date on which held

During the year 5 Board Meetings were held on 28.4.2010, 14.8.2010, 04.09.2010, 10.11.2010 and 07.02.2011.

3. Audit Committee

Your Company's Audit Committee has been discharging its obligations uniformly.

The functions of Audit Committee are as follows:

- To oversee the Company's financial reporting process and disclosure of its financial information;
- To recommend the appointment of Statutory Auditors and fixation of the audit fee;
- To review and discuss with the Auditors about internal control systems, the scope of audit

including the observations of the Auditors, adequacy of the internal audit function, major accounting policies, practices and entries;

- Compliance with Accounting Standards;
- Compliance with the Stock Exchange and legal requirements concerning financial statement and related party transactions, if any;
- To review the Company's financial and risk management policies;
- Discuss with the Internal Auditors any significant findings for follow-up thereon;
- To review the quarterly, half yearly and annual financial statement before submission to the Board of Directors.

The Committee shall also meet the Management team and review the operations, new initiatives and performance of the business units. The Minutes of the Audit Committee would be circulated to the Board, discussed and taken note of.

The Audit Committee is comprised of the following Directors:

1. Mr. Vijay Kumar D Gupta – Chairman
2. Mrs. Shashi Soni – Member
3. Dr. Devinder Kumar Bhatia – Member

The Audit Committee has met Five times during the year under review on 28.4.2010, 14.8.2010, 04.09.2010, 10.11.2010 and 07.02.2011. Mr. Vijay Kumar Gupta has attended three meetings. Mrs. Shashi Soni has attended all the five meetings. Mr. Devinder Kumar Bhatia has attended one of the meeting.

The Audit Committee shall review the financial results, accounting and financial controls as well as policies and practices as also internal control and internal audit systems.

4. Share Transfer Committee

The Share Transfer Committee considers transfers/transmissions of shares issued by the Company, issue of duplicate Share Certificates and Certificates after split/consolidation etc.

Annexure: Report on Corporate Governance

The Committee comprises of the Chairman, who is an Executive Director and another Member, who is also an Executive Director. During the year the Committee had 5 meetings.

The Share Transfer Committee is comprised of the following Directors:

1. Mr. Sanjay Soni – Chairman
2. Mrs. Shashi Soni – Member

5. Remuneration Committee

1. Terms of Reference

To review, assess and recommend the appointment and remuneration of executive Directors and senior employees of the Company from time to time, periodically review the remuneration package of the executive Directors/senior employees and recommend suitable revision to the Board.

2. Composition

The Committee comprises 1 Non-executive Director and one Executive Director. One meeting was held during the year.

The Remuneration Committee is comprised of the following Directors:

1. Mr. Vijay Kumar Gupta – Chairman
2. Mrs. Shashi Soni – Member

3. Remuneration Policy

Remuneration of employees largely consists of base remuneration, perquisites and performance incentives.

The components of the total remuneration vary from different cadres and are governed by industry pattern, qualifications and experience of the employee, responsibilities handled by him, individual performance etc.

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution, and retain talent in the organization and reward merit.

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution, and retain talent in the organization and reward merit.

4. Details of remuneration for the year 2010-11:

Name of Director	Remuneration Amount in Rs	Sitting Fees Amount in Rs
Mr. Sanjay Soni	60,00,000	NA
Mrs. Shashi Soni	196,044	NA
Mr. Vijay Kumar Gupta	NA	2,000
Dr. Divendra Kumar Bhatia	NA	1,000
Mr. R.N. Chawhan	NA	1,500

5. Shareholders' Grievances Committee

The Company's Share Transfer Committee also acts as the Shareholders' Grievances Committee and addresses the issues related thereto.

6. General Body Meeting

For the financial year 2009-2010, Annual General Meeting was held on 29.9.2010 at 10.00 am at the Bharatiya Vidya Bhavan, Race Course Road, Bangalore. No Special Resolution was required to be put through Postal Ballot last year. No special resolutions on matters requiring postal balloting as recommended under Clause 49 of the Listing Agreement are placed for shareholders approval at this meeting. During the year under review no Extra-Ordinary General Meeting was held during the year.

Following are the details of the last three Annual General Meetings:

Year	Venue	Date	Time
2007 - 2008	Bharatiya Vidya Bhavan Race Course Road	30.9.2008	4.30 PM
2008 - 2009	Bharatiya Vidya Bhavan Race Course Road	29.9.2009	4.30 PM
2009 - 2010	Bharatiya Vidya Bhavan Race Course Road	29.9.2010	10.00 AM

7. POSTAL BALLOT:

During the year, there was no postal ballot held.

Annexure: Report on Corporate Governance

8. Disclosures

There were no transactions of material nature with the Directors or the Management or their Subsidiaries or Relatives of the Directors during the year. There were no instances of non-compliance on any matter related to the capital markets, during the last year.

9. Means of Communication:

Quarterly results are published in daily newspapers viz, Business Line/Economics Times/ Business Standard. These quarterly results are also made available at the website of the Company www.logixworld.com.

10. Disclosures regarding Suspense Account pursuant to SEBI Circular no. SEBI/CFD/DIL/LA/1/2009/24/04 dated 24.4.2009:

As per the above mentioned Circular, Clause 5A stands for shares issued pursuant to the public issues or any other issue which remain unclaimed and are lying in the escrow account and any unclaimed benefits like Dividend, Bonus shares etc., which are to be credited to the Demat Suspense Account. Your Company is taking steps to streamline all the requirements.

11. General Shareholders Information:

- Annual General Meeting is proposed to be held on 29th day of September 2011 at 4.30 pm at Hotel Chalukya, # 44, Race Course Road, Bangalore – 560 001.
- Dates of book closure: 29th September 2011
- Listing of Equity Shares on Stock Exchanges at: National Stock Exchange (NSE) & The Stock Exchange, Mumbai (BSE).
- Listing fees for the year 2011-2012 has been paid to National Stock Exchange & The Stock Exchange, Mumbai.
- Scrip Code at:
National Stock Exchange - LOGIX MICRO
The Stock Exchange, Mumba – 532341

The Hyderabad Stock Exchange Ltd – LMS

The Calcutta Stock Exchange Association Ltd – 22122

Bangalore Stock Exchange Ltd – LogixMicro

- Registrar and Share Transfer Agent and Share Transfer System:

Cameo Corporate Services Limited

“Subramanian Building”, 5th Floor,

1, Club House Road, Chennai – 600 002.

Tel: 044-28460390

Fax: 044-28460129

Email: cameogm@satyam.net.in

The Share Transfers in physical form are processed and the Share Certificates returned within a period of 15–20 days from the date of receipt, subject to the documents being valid in all respects. After the Share Transfer is effected, a letter is sent by the R&T Agents to the buyer (transferee) indicating the details of the transferred shares and in case the buyer wishes to dematerialise the shares he can approach a Depository Participant (DP) with the letter. The DP will, based on the letter, generate a dematerialisation request, which he will send to the Company along with the option letter issued by the R&T Agents. On receipt of the same the R&T agents will dematerialise the shares. In case the buyer (transferee) does not wish to dematerialise the shares, he need not exercise the option and the R&T Agents will despatch the Share Certificates after 30 days. It also arranges for issue of dividend and also accepts, deals with and resolve complaints of shareholders. Shareholder complaints are given top priority by the Company and by the Share Transfer Agents and are replied to, promptly.

Shareholders' correspondence should be addressed to the Company's Registrar and Share Transfer Agents. Members may also write to the Compliance Officer at the Registered Office of the Company as stated below:

Mr. Narayan Rao Badanidiyoor

Finance Controller & Compliance Officer

P.O. Box 7620, 177/2C, Billekahalli Industrial Area

Bannerghatta Road, Bangalore – 560 076

Periodically, audits are carried out at the office of the Share Transfer Agents by independent Practicing Company Secretary and requisite Certificates/Reports are obtained.

Annexure: Report on Corporate Governance

Distribution of Shareholding as on 31.03.2011:

No. of Equity Shares held	No. of Share holders	% of Share holders	No. of Shares held	% of share holding
Upto 100	3985	50.84	293626	2.43
101 – 500	2436	31.08	713698	5.90
501 – 1000	700	8.93	573743	4.74
1001 – 2000	323	4.12	499872	4.13
2001 – 3000	128	1.63	326809	2.70
3001 – 4000	64	0.82	230908	1.91
4001 – 5000	34	0.43	160733	1.33
5001 – 10000	94	1.2	692722	5.73
10001 & above	74	0.94	8606562	71.14
Total	7838	100	12098673	100

- Shareholders Pattern as on 31.03.2011:

Category	No. of Shares held	Percentage of shareholding
Indian Promoters	2600508	21.49
Banks, Financial Institutions	500	0.00
FII's	2552380	21.1
NRIs/OCB	111054	0.92
Other Bodies –Corporate	2005613	16.58
Indian Public	4805241	39.72
Others (Clearing Member)	23377	0.19
Total	12098673	100

- Dematerialisation of Shares:

As on 31.03.2011, 97.94% of the Company's total Share Capital was held in dematerialised form. The Demat ISIN No. in NSDL & CDSL is INE 848A01014

- Address for correspondence:

The Company's Registered Office & Corporate Office is situated at:

P.O. Box 7620, 177/2C, Billekahalli Industrial Area
Bannerghatta Road, Bangalore – 560 076
Tel : +91-80-67125400 to 67125409
Fax : +91-80-67125425

Shareholder correspondence should be addressed to :

Cameo Corporate Services Limited
“Subramanian Building”, Vth Floor
1, Club House Road, Chennai – 600 002
Tel: 044-28460390-94
Fax: 044-28460129
Email: cameogm@satyam.net.in

Contact person: Ms. Jay Kalyani

- Stock Market price data for the year 2010 - 2011 on BSE:

Month	High	Low
April – 2010	62.30	46.70
May – 2010	54.95	44.00
June – 2010	54.00	45.00
July – 2010	57.10	46.25
August – 2010	54.00	44.05
Sep – 2010	51.75	43.05
October – 2010	48.40	37.15
Nov – 2010	43.50	29.00
Dec – 2010	34.25	26.75
Jan – 2011	33.90	19.65
Feb – 2011	22.30	14.90
March – 2011	17.25	14.70

For Logix Microsystems Limited

Place : Bangalore
Date : September 3rd, 2011

Shashi Soni
Chairperson

Annexure: Report on Corporate Governance

Annexure

Statement pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975

Name & Designation	Mr. Sanjay Soni Managing Director	Mr Ashok Narayan Padhye Chief Operating Officer
Qualification	MBA & B Com	B Tech, IIT (Kharagpur)
Age	43 years	52 years
Gross Remuneration *	Rs. 60,00,000/-	-
✂ Gross Remuneration #	-	Rs. 31,89,674/-
Date of Commencement	18.09.1995	23.06.2008
Total Experience	17 years	26 years
Last Employment	Business	Delivery Leader, Mphasis Ltd
Share holding as on 31.03.2011	13.5%	0.08%

* Remuneration includes all allowances & perquisites

Remuneration includes all allowances & perquisites excluding Employees Stock Options

Mr. Sanjay Soni is a relative of a Director on the Board of the Company.