

REPORT ON LIMITED REVIEW OF UNAUDITED PERIODIC RESULTS

We have reviewed the accompanying statement of un-audited (stand alone) financial results of **Logix Microsystems Limited**, Bangalore for the **half year ended September 30th, 2010**, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company 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.

Based on our limited review, conducted as above, we report as under:

1. In the absence of detailed statements with respect to basis of valuation of software work in process, we are unable to comment on the value of opening stock Rs. 198.71 lakhs as at 31st March 2010 and closing stock as at 30th Sep 2010 of Rs. 185.71 lakhs.
2. The Company has not disclosed segment wise results as required by the Accounting Standard 17 – "Segment Reporting".
3. No provision has been made towards accounting for Share based Employee compensation expenses, provision for Income tax, and provision for Gratuity and Leave encashment though made is not on an actuarial basis. The impact of these have not been quantified.
4. Short term investments have not been re-stated at the lower of cost or market value (effect not quantified) as required by Accounting Standard 13 (Accounting for Investments).



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Chartered Accountants

5. Receivables include overdue amounts from overseas subsidiary (including Rs. 616.70 lakhs in excess of Six Months). Provisioning for Doubtful Debts in respect of possible non-recovery of long outstanding balances in sundry debtors has not been carried out as in the view of the management the same are recoverable in full.
6. Long term investments as at the Balance Sheet date include Rs.13938.60 lacs in wholly owned subsidiaries at US and Belgium, which are carried at cost. We are given to understand that the accounts of the same are not subject to audit or limited review. In the absence of independently reviewed / audited financial statements in respect of these subsidiaries (including their step down subsidiaries), we are unable to carry out necessary procedures to reliably examine if there has been a permanent decline in the carrying value of the stated investments. We are therefore unable to comment on the impact, if any, on the Profit & Loss account and the adequacy of Reserve for Diminution in value of long term Investments as at the Balance Sheet date.
7. The company has not disclosed the Earnings per share as required by Clause 41 of the listing agreement.
8. Attention is drawn to Note 6 as regards restatement of the figures for the previous periods. In the absence of related workings and basis of re-statement, we are unable to comment on the re-stated figures for the quarter and half year ended 30th September 2009.
9. The auditors' qualifications in the Auditor's Report for the year ended 31.03.2010 and previous Limited Review Report and management's response have not been disclosed.
10. The Statement of Assets and Liabilities does not disclose the figures for the half year ended 30th September 2009. Further the format followed is not in accordance with the format prescribed in Annexure IX of Clause 41 of the listing agreement.

Based on our review conducted as above, subject to our comments as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Bangalore,
10th November 2010



For VASAN & SAMPATH,
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