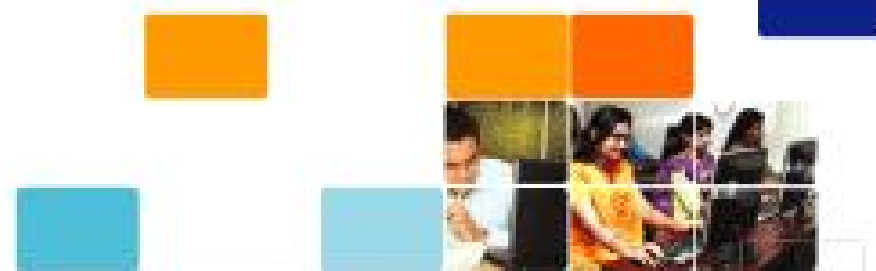




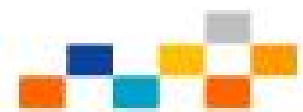
# annual 2011 REPORT



www.daffodil-bd.com



**Daffodil Computers Limited**  
61/3 Lake Cross, Mirpur Road, Gollapalli, Dhaka - 1206  
Tel- 8114800, 8113984, Fax- 8114103  
www.daffodil-bd.com, E-mail- info@daffodil-bd.com



**Daffodil Computers Limited**  
Registered Office 64/3, Lake Circus, Kalabagan, Dhanmondi, Dhaka-1205.

**Attendance Slip**

I do hereby record my attendance at the 14th Annual General Meeting of the Company being held on 29 December 2011 at 10:30 A.M. at DDU Auditorium (4th Floor), 4/2 Prince Plaza, Sobhanbag, Dhanmondi, Dhaka-1207

Name of the Shareholder/Proxy: .....

Folio/BO, No. ....

No. Shares: .....

Signature

- N.B.:**
- Shareholders attending the meeting in person or by proxy are requested to complete this Slip.
  - Signature of Shareholders should confirm to the specimen recorded with the company.
  - Please bring this attendance slip with you. Admission into the meeting place will not be allowed without this.

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  - Signature of Shareholders should confirm to the specimen recorded with the company.
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**Annual Report**  
**2010-11**

**Daffodil Computers Limited**  
Registered Office 64/3, Lake Circus, Kalabagan, Dhanmondi, Dhaka-1205.

**Proxy Form**

Stamp

I/We .....  
of .....  
being a Shareholders of Daffodil Computers Limited do hereby appoint  
Mr./Ms. ....  
of .....  
as my/our proxy, to attend and vote for me/us and on my/our behalf at the 14th Annual General Meeting of the Company to be held on 29 December 2011 and at any adjournment thereof to any ballot to be taken in consequence thereof.  
As witness my/our hand this ..... day of .....

Signature of Proxy: ..... Signature of Shareholders: .....  
Folio/ BO, No. .... Folio/ BO, No. ....

- Important**
- The Proxy Form duly completed, must be deposited at least 48 hours before the meeting at the Company's Registered office. Proxy is invalid if not signed and stamped as explained above.
  - Signature of the shareholder should agree with Specimen signature registered with the Company

**Daffodil Computers Limited**  
Registered Office 64/3, Lake Circus, Kalabagan, Dhanmondi, Dhaka-1205.

**Attendance Slip**

I do hereby record my attendance at the 14th Annual General Meeting of the Company being held on 29 December 2011 at 10:30 A.M. at DDU Auditorium (4th Floor), 4/2 Prince Plaza, Sobhanbag, Dhanmondi, Dhaka-1207

Name of the Shareholder/Proxy: .....

Folio/BO, No. ....

No. Shares: .....

Signature

Date: .....

- N.B.:**
- Shareholders attending the meeting in person or by proxy are requested to complete this Slip.
  - Signature of Shareholders should confirm to the specimen recorded with the company.
  - Please bring this attendance slip with you. Admission into the meeting place will not be allowed without this.

## Company Profile

Name of the Company	: Daffodil Computers Limited
Corporate Office	: 64/3, Lake Circus, Kalabagan, Mirpur Road, Dhanmondi, Dhaka-1205
Represented By	: Mr. Md. Sabur Khan, Managing Director
Communication	: Ph-88-02-9116600, Fax-8116103
Internet Reference	: <a href="http://www.daffodil-bd.com">www.daffodil-bd.com</a>
Year of establishment	: 1990
Incorporation	: Registered with Joint Stock Company- Jan 1998
Conversion as Public Limited Company	: April 2002
Nature of Business	: Computer Product, Network Solutions, Web and e-Commerce Development, Consultation & Training, Education, Software and Software Solutions and Maintenance.
Representing Brands	: DaffodilPc, Intel, Maxtor, Kingston, Cyber, Dell, CISCO, TVS, Albarton, BTC, ELSA, HP, IBM, SUN, AMIGO, Sonicwall, APC, Chintex, McAfee, Norton, CTCO, Calcomp, SWANN, CA, Check Point, D-Link, Microsoft are mains.
Main Focus	: DaffodilPc in total solution, HP authorized service Provider, Software Development & Export, Web Development & Export, Education, Training Business ERP, Education ERP and Daffodil Banking Software.  We provide ICT solutions by using our partners' products according to customers' requirement.
Membership	: Australia-Bangladesh Business Council; American Chamber of Commerce(AmCham); Bangladesh Computer Samity(BCS); Bangladesh Association of Software & Information Services (BASIS); Dhaka Chambers of Commerce & Industries(DCCI); Malaysia-Bangladesh Chamber of Commerce.

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**Board of Directors**



Mrs. Shahana Khan

Chairman

Mr. Md. Sabur Khan

Managing Director

Mr. Md. Younus Khan

Director

Mr. Md. Emran Hossain

Director

Mr. Md. Mahatab Uddin

Director



**daffodil**PC

## Management

	Mr. Md. Sabur Khan	Managing Director
	Mr. Md. Jahir Uddin	AGM & Chief Accounts Officer
	Mr. Abdur Rob	AGM, Operation
	Mr. Jafor Ahmed Patwary	Business Development Manager
	Mr. Md. Monirul Alam	Manager, IDB Branch
	Mr. Md. Monir Hossain	Company Secretary
	M/S. Aziz Halim Khair Choudhury & Co	Chartered Accountants 'Baitul Mesbah' Building # (3rd 4th Floor) House # 79, Road # 12A Dhan mondi, Dhaka-1209
	Registered Office	64/3, Lake Circus, Kalabagan, Mirpur Road, Dhanmondi, (2nd floor to 5th floor) Dhaka-1205. PABX: 8115986, 9116600 Fax: 880-2-8116103 Email- info@daffodil-bd.com

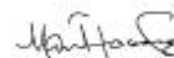
**daffodil**FC

## NOTICE OF THE 14th ANNUAL GENERAL MEETING

Notice is hereby given that the 14th Annual General Meeting of the shareholders of Daffodil Computers Limited will be held on Thursday, the 29th day of December, 2011 at 10.30 a.m. at DIU Auditorium, 4th floor, 4/2, Prince Plaza, Sobhanbag, Dhanmondi, Dhaka-1207, to transact the following business:

1. To receive, consider and adopt the Audited Accounts for the year ended June 30, 2011 along with the reports of the Auditors and the Directors.
2. To declare and approve 4% Stock (4 Shares per 100 shares) and 6% cash totaling 10% dividend for the year ended June 30, 2011
3. To elect the Directors.
4. To Appoint Auditors for the year ending June 30, 2012 and to fix their remuneration.
5. To transact any other business of the company with the permission of the Chair.

By order of the Board



**Md. Monir Hossain**  
Company Secretary

Place : Dhaka  
31 October 2011

### NOTES:

- 1) Record date November 20, 2010.
- 2) A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead.
- 3) The proxy form, duly stamped, must be submitted at the Registered office of the Company not later than 48 hours before the meeting. Proxy must be a member of the company.
- 4) Entry to the Annual General Meeting is reserved only for shareholders or their proxies.
- 5) Valued shareholders are requested to see the annual report after 25th October from our web site - [www.daffodil-bd.com](http://www.daffodil-bd.com)

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### Mission

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Use of technology concerning the ways people think, express, identify and communicate. Information and communication technologies combine Computers and tele communications to create a new form of globalization. The potential impact of new technologies is increasing the positive involvement of all people in the successful development of their own and, in particular, people at risk of exclusion from these benefits due to factors such as poverty, lack of education and disability.

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### Vision

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To reach the highest level of ICT sector by contributing in the micro and macro economy of the country and providing better IT services to the nation. Achieving the ultimate target of the services is to expand from national proximity and approach in the international market. Since the inception, the company enriches the human resource to compete in the international market and the entity becomes national proud.



## **Branches**

### **IDB Bhaban Branch**

Shop No-SR 123/3,123/4E/8A  
Rokeya Sharani, Dhaka.  
Ph-8129029

---

### **Banani Branch**

54, Kamal Ataturka Avenue  
Banani, Dhaka.  
Ph-9883339

---

### **Bashundara Branch**

Shop No-1-4, Block-B, Level-6  
Bashundara City Market, Dhaka.  
Ph-9111440/206003

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### **Chittagong Branch**

223,sk. Mojib Road, A.K. Tower  
Chowmohany, Agrabad, Chittagong.  
Ph-031-727662

---

### **Ware House**

House No-7, Road 14(new)  
Dhanmondi, Dhaka.  
Ph-9143158.

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# Annual Report 2010-11



Chairman, Managing Director, Director & Company Secretary at 13th AGM



Shareholders are Presence at 13th AGM



## Directors' Report to the Shareholders

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ

Bismillahir-Rahmanir Rahim

Honorable Shareholders,

Assalamu-Alaikum

It is really a great pleasure to welcome you all on behalf of the Board of Directors and on our own behalf to this 14th Annual General Meeting of Daffodil Computers Limited. We have the pleasure to present you the Annual Report with Audit Accounts' and Auditors Report as of 30th June 2011 in the meeting.

Dear Shareholders,

You will be glad to know the significant achievement in the year 2010-2011. With best efforts of the management, excellent financial control, extra ordinary care and attention, the growth and sustainability of the company with upward trends could be kept continued as is evident from the following comparative operational positions:

Particulars	2010-2011 (in taka)	2009-2010 (in taka)	2008-2009 (in taka)
Sales	275,209,157	229,875,624	235,173,277
Cost of Goods Sold	215,431,535	186,865,097	188,304,793
Gross Profit	59,777,622	43,010,527	46,868,484
Net Profit (before tax)	36,384,860	14,640,448	14,383,500
Net Profit (after tax)	34,097,174	14,470,049	14,222,140
Share Capital	479,925,600	228,536,000	204,050,000
Net operating Cash Flow Per Share (NOCFPS)	0.53	2.88	2.47
Net Assets Value per share (NAVPS)	11.02	11.64	12.33
EPS	0.94	0.63	0.70

## Future Plan:

Educational ventures of the company make a strong position with its commitment, quality, resources and various research activities. Seeing the confidence and reputation, the Board Directors of Daffodil Computers Ltd. decided to establish other 64 schools in 64 districts of Bangladesh which is now operation at Dhaka & Chandpur districts.

## Daffodil International School (DIS)

In 2000, Daffodil Group initiated a program of an integrated pathway of academic institutions, dedicated to expanding access to education of an international standard of excellence. In 2008, the Board of Directors of Daffodil Computers Ltd. has decided to establish 64 schools in 64 districts of Bangladesh. From Play Group to 'A' level, the British Curricular will be followed in all city corporations. In district level, British Curricular will be followed from Play Group to standard III and National Curricular; English Version will be followed from class IV to H.S.C level.

DIS aims to be Bangladesh's leading chain of schools with branches across the country and abroad. The vision of DIS extends beyond the narrow walls of classrooms and textbooks, as it aims to give the students a truly global perspective while preparing them for the careers of tomorrow. As a chain of schools located across the length and breadth of Bangladesh, DIS will empower its vision with a unique educational programme, where learning comes alive.



DIS Class room at Uttara Branch

DIS is presently running with its three schools in different areas two are in Dhaka district, at Uttara & Dhanmondi respectively, and the third is in Chandpur district. The growth of each school is significantly upward. In the year 2010, DIS Chandpur showed their mettle. In the JSC exam, 100% students passed successfully. Two sections of DIS Dhaka are also growing with remarkable expectation.

In this year, DIS organized a 'My e-kids Camp', a day long program full with different extra curricular programs, where more than 70 schools in Dhaka city participated. DIS, Chandpur has achieved the permission from Comilla Board to admit Junior and Secondary students. DIS, Dhaka have got official recognition from EDEXCEL to admit A' & O' Level students. It has also become a center to hold the A' & O' Level exams. DIS has already started admission in this regard. In January 2012, nineteen students in 'O & A' levels will sit for the examination. DIS has been working to set up another two branches at Mirpur & Motijeel, Dhaka.

## Student Growth:

Present student growth has been increased around 280% than that of the last year. The number will be increasing more by the next year.

## Revenue Growth:

The growth of revenue is satisfactory. By the next year, it will be increasing more and more.

## Facilities:

DIS has become the Center for A & O Level examinations under EDEXCEL. Library and Lab facilities are improved. Students are availing own transport, PC and Laptop facility to a great extent. DIS has vision to make it a fully equipped with all modern facilities. DIS management is expecting to include more facilities for ensuring quality education.

## Dolphin Computers Ltd.

To be a strong competitor among all the developing countries in the world every citizen of Bangladesh needs to have skill in Computer, Computer Science and Information Technology. In order to provide those computers to all the people, Asia's largest Computer selling mall known as 'Computer City' was established at Agargaon which is located in the capital city of Bangladesh, Dhaka. Bangladesh is proud to have constructed this huge 'Computer City' using modern structural technology. Moreover the biggest and the best selling showroom of this mall is DOLPHIN COMPUTERS LIMITED. Its features are:

- You can get the best product with the best deal of your chosen brand.
- You will find all the trustworthy salesman and staff who will sincerely help you to choose the best product.
- The Chief of this Organization is always ready to serve his best.
- DOLPHIN wholeheartedly hopes to have you all with us in the path of its success.

## Business ERP

Business ERP is a fascinating kind of Business Solution for those smart people who love to keep pace with the modern era. It is awesome software which is designed & modulated to provide a full-fledged support to any small, medium & large level of company and corporate clients. This Business ERP software has been developed using Microsoft, with SQL server 2005, and modeled to perform dynamic official activities in a wink of eye. It takes full liability to perform work of a company related to Purchase, Accounting, Inventory, Sales, Security, Manufacturing, Service RMA and many more! It can be installed with ease and can be operated from anywhere of the world. It can work both online and offline and very easy to handle by any one. Any smart executive/ company can rely on it, which can network the entire company, and greatly minimizes one's effort, pain, time, confusion and expenses for manual documentation.

Yes, this time and toil saving Business software is for a prudent and smart decision maker like you who wishes to enjoy the taste of digital world, envisions to successfully grabbing the competitive market, and desires to surpass the past growth of the organization- definitely and distinctively!

## Jobsbd.com

Jobsbd.com is one of the pioneer job portals in the country established in July 09, 2000. Jobsbd.com always believes in accommodating new technologies and ideas for improving the job seeking experiences of the job seekers and enabling the employers with latest recruitment solutions. Jobsbd.com has also focused on online recruitment and career development training to different level of job seekers. This is helping the job searchers to enhance their professional skill and securing better opportunities for them. Jobsbd.com also has a pool of recourses from different industries and specializations to conduct these job oriented, skill enhancement trainings. Training topics are carefully selected to equip the participant to face the upcoming challenges in their respective areas. The workshops and trainings are set on a regular basis. Experts from respective fields conduct the sessions. Overall, their growth is significant.

## Daffodil International Professional Training Institute (DIPTI)

DIPTI is a thoughtful initiative of Daffodil Computers Ltd. It is the first professional education providing body in Bangladesh. DIPTI provides a very wide range of job oriented and professional development training to convert both skilled/semi skilled and unskilled people to a productive human resource. These short, intense courses offer the opportunity for practitioners, individuals, businessmen and employees to refresh to development, expand and enhance their skills/professionalism. All the courses run by DIPTI are experiential, challenging, interactive and are bringing academic theories to the real world. DIPTI brings appropriate knowledge to deal with potential measures, and helps workers to improve working conditions and encompass the maintenance and promotion of workers' work performance. DIPTI is an affiliated institute of Bangladesh Technical Education Board (BTEB) and also linked with U&I Alliance, University of Dhaka, CEA UK and IIC Malaysia. DIPTI is another prospective wing of DCL.

### Dividend:

The Board of Directors has recommended 4% Stock (4 Shares per 100 shares) and 6% cash totaling 10% dividend for the year 2010-2011.

### Election of Directors:

Directors of the company Mr. Md. Younus Khan, Director and Mr. Md. Emran Hossain, Director are due to retire by rotation as per Article 90 of the Articles of Association of the Company and being eligible for re-appointment, they have offer themselves for re-election as per Articles 92 of the Articles of Association of the Company .

### Appointment of Auditors:

The Company's existing Auditors M/S. Aziz Halim Khair Choudhury & Co., Chartered Accountants, retire at this meeting and being eligible to offer them for reappointment for the next term i.e. year 2011-2012 at such remuneration as will be fixed here.

### Conclusion:

We would like to show our appreciation and sincere gratitude to our valued shareholders, stakeholders, customers, government agencies, financial institutions, SEC, DSE, CSE, vendors, suppliers and our employees for their wholehearted cooperation and contribution towards the growth and achievements of your company. You are the strength behind our success.

Ladies and Gentlemen, thank you again for your kind presence at the 14th Annual General Meeting of the Company and making it a success through your cooperation.

Allah Hefez.

With warm Regards

On behalf of the Board of Directors,

  
**Md. Sabur Khan**  
Managing Director

  
**Mrs. Shahana Khan**  
Chairman

## Compliance Report on SEC's Notification :

The Securities and Exchange Commission (SEC) requires all listed companies to report on the compliance of the conditions described in SEC's notification dated 20 February, 2006 on "Company or Explain" basis. The Board of Directors of the Company has taken appropriate steps to comply with the conditions and implemented as many of those as practicable. Status report on compliance is given below in prescribed format

Conditions	Title	Compliance Status
1.0	Board of Directors & its report	
1.1	The members of the Board should not be less than 5 (five) and more than 20 (twenty).	Complied
1.2	Appointment of Independent Non-shareholder Director (at least one-tenth of total number of Board of Directors)	Complied
1.3	Chairman of the Board and Chief Executive Officer (CEO) be different person with different roles and responsibilities	Complied
1.4	Directors Report to include declarations on :	
	Fairness of Financial Statements	Complied
	Maintenance of proper books of accounts	Complied
	Consistent application of Accounting Policies in preparation of Financial Statements	Complied
	Observance of Bangladesh Accounting Standards (BAS)	Complied
	Soundness and efficiency of Internal Control	Complied
	Ability to continue as a going concern	Complied
	Significant deviations in operating results from last year	Complied
	Presentation of key operating and financial data for at least last three years	Complied
	Declaration of dividend	Complied
	Number of Board Meeting held during the year and attendance by each Directors	Complied
	Shareholding pattern	Complied
1.5	Number of Independent Director	Complied
1.6	Appointment of Independent Director	Complied
1.7	FS present fairly its state of affairs, results of its operations, cash flows & changes in equity	Complied
1.8	IASs, as applicable in Bangladesh, followed in FS preparation & any departure adequately disclosed	Complied
1.9	The system of internal control sound in g\design & effectively implemented & monitored	Complied

Conditions	Title	Compliance Status
1.11	BO significant doubt upon its ability to continue as a going concern Complied	
2.0	Appointment of CFO, Company Secretary etc.	
2.1	Appointment of CFO, Company Secretary and Head of Internal Audit and defining their responsibility.	Complied
2.2	Attendance of CFO and Company Secretary in the Board of Director's meeting Complied Director's meeting	Complied
3.0	Formation of Audit Committee & its Reporting	
3.1	i. Number of members of Audit Committee	Complied
	ii. Inclusion of Independent Director in the Audit Committee	Complied
	iii. Fill the casual vacancy in Audit Committee	Complied
3.2	i. Chairman of the Board Audit Committee	Complied
	ii. Qualification and experience of Audit Committee Chairman	Complied
3.3	i. Reporting by Audit Committee on its activities to the Board	Complied
	ii. Report to the Board by the Audit Committee on conflict of interest etc.	Non such matters to report on
3.4	Report by Audit Committee on the qualified point to the SEC	Non such matters to report on
3.5	Report to the Shareholders in the event of findings of certain occurrences under condition 3.3(ii) above.	There was no such event
4.0	Statutory Auditors not to engage in:	
	i. Appraisal or valuation services	Complied
	ii. Financial Information systems design and implementation	Complied
	iii. Book keeping or other services related to financial statements	Complied
	iv. Brokers-dealer services	Complied
	v. Actuarial services	Complied
	vi. Internal Audit Services	Complied
	vii. Any other services that the Audit Committee determines.	Complied



# Annual Report 2010-11

Directors' Attendance in the Board of Directors' Meeting During the year 2010-2011.

Name of Director	Total Meeting	Attended	Remarks
Mrs. Shahana Khan	4	4	
Mr. Md. Sabur Khan	4	4	
Mr. Md. Yunus Khan	4	1	
Mr. Md. Emran Hossain	4	4	
Mr. M. S. Shekil Chowdhury	4	2	
Mr. Md. Mahatab Uddin	4	2	

Share holding position of Directors as on 01-12-2011

Name of Director	Shareholding
Mrs. Shahana Khan	12587763
Mr. Md. Sabur Khan	959851
Mr. Md. Yunus Khan	34280
Mr. Md. Emran Hossain	1000
Mr. Md. Mahtab Uddin	1000

Share holding position of top five executives as on 01-12-2011

Name	Designation	Shareholding
Mr. Md. Jahir Uddin	Asst.General Manager	Nil
Mr. Abdur Rob	Asst.General Manager	Nil
Mr. Jafar Ahmed Patwary	Business Development, Manager	Nil
Mr. Monirul Alam	Manager, IDB Br.	Nil

## Minutes of the Thirteen Annual General Meeting

The 13th Annual General Meeting for the year ended June 30, 2010 of Daffodil Computers Limited was held as per schedule i.e. on December 02, 2010 in the Auditorium of Daffodil International University (DIU), Prince Plaza (4th floor), 4/2 Sobhanbag, Dhaka-1207. The quorum was fulfilled and the meeting started at 9.00 A.M.

The following persons were present in the meeting:

1. Mrs. Shahana Khan, Chairman
2. Mr. Md. Sabur Khan, Managing Director
3. Mr. Md. Emran Hossain, Director
4. Mr. Md. Mahtab Uddin
5. Mr. Md. Monir Hossain, Company Secretary
6. Mr. Sarwar Mahmood, FCA, Auditor
- &
7. The Shareholders ( As per attendance)



A Shareholder addresses his speech at 13th AGM

The Chairperson of the Company presided over the meeting welcoming all the valued shareholders and expressed her gratitude for their presence in this meeting. Then she permitted the Managing Director to start the meeting.

A recital from the Holy Qur'an preceded the meeting. After that the Managing Director started to conduct the meeting as per agenda. In his welcoming speech he thanked the shareholders for attending the meeting and expressed his gratitude on behalf of the Board of Directors and himself.

The Managing Director started to read out the Directors' Report. Mr. Jahangir Alam BO-120240000672037 requested the Managing Director that there was no need of reading out the report line by line as it would be a time consuming otherwise shareholders were read it earlier. Then the Managing Director read out only the main points for better knowledge of the shareholders and described some new ventures of the company.

He mentioned that Daffodil International School (DIS) which is the new venture of the company, strives to create a harmonious balance between academic demands, sporting, cultural activities and community life. Founded in 2008, DIS is an institution of Daffodil Computers Ltd., Bangladesh. It has a long tradition of leadership in educational & ICT development in Bangladesh. The activities of the school is just started and we hope that January 2011 we can start its operation i.e. class & admission in full sewing. Over 64 Schools is going to be established in 64 districts in Bangladesh in various phases. DIS is a self-governing English Medium School. It is a co-educational day-School, currently catering for children between the ages of rising 4 and 14+ (from Play Group to 'O & A' level).

Another important project of DCL is Dolphin Computers Ltd., DIPTI, Jobsbd.com where Daffodil did lot of R&D and investment as trends of IT proved that will be a dominating factor of sales too in near future. Though the revenue will be generating slowly from these projects.

The Managing Director then placed the Agenda to the Shareholders for their decisions and votes.

## Agenda No. 01:

To receive, consider and adopt the Audited Accounts of the company and the Auditors' report and the Directors thereon for the year ended 30 June 2010

Advocate Mr. Riazul Islam- BO No. 120337000093837 requested the Managing Director to verify the causes of not getting Annual Report and proposed that if courier service makes a mistake then it should be punished. The Managing Director welcomed his proposal and assured the House to do the needful. MD also mentioned that due to this problem DCL has already taken the proper remedy from this year i.e. the report is available in website, so any one can see any time. Mr. Islam then said the EPS of the Company was such a depiction of the company's position that it must not carry sufficient goodwill in the market. He expressed that the overall company sales is deteriorating considering that of last year's sales. He suggested putting extra effort to increase the sales and take initiatives to improve the EPS of the Company. The Managing Director again thanked him for his valuable suggestions and he proposed to receive, consider and adopt the Audited Accounts of the company and the Auditors' report and the Directors thereon for the year ended 30 June 2010. Mr. Md. Salim Sikder, BO No. 1202610000582908 seconded the proposal and thereafter all the shareholders present supported it.

In course of its adoption Mr. Bishwajit Ghosh, BO no. 1202050002386324 expressed his dissatisfaction that the Annual Report was not received by him and he termed that it could be a fault of courier service provider. After that Mr. Waliul Bari, BO No. 1203770012544889 came into the dais and praised Almighty Allah for everything. He said that he also did not get his copy of Annual Report. The Managing Director asked the audience how many of them have got the Directors' Report and found that majority of them got but some how very few of them yet to get it. Then the Managing Director assured the audience that it will be taken care of very cautiously in future and again emphasized on the availability through website.

## Approval:

The Managing Director declared that the agenda has been received, considered, adopted and passed by the meeting and a record was made thereof.

## Agenda no. 02:

To declare and approve 10% Stock Dividend (10 shares per 100 shares) for the year ended June 30, 2010

Mr. Jahangir Alam BO No. 1202410000658221 proposed to approve 10% Stock Dividend (10 shares per 100 shares) for 2009-10. Mr. Md. Abdus Salim Sikder, BO No. 1202610000582908 and thereafter all the shareholders present supported it.

## Approval:

The Managing Director announced that the meeting passed the 10% Stock Dividend (10 shares per 100 shares) for the year 2009-10 and a record was made accordingly.

## Agenda no. 03:

### To elect Directors

The Managing Director informed the House that Directors Mrs. Shahana Khan and Mr. M.S. Shekil Chowdhury were due to retire in this 13th AGM and they are eligible for re-election as per Article 90 and 92 respectively of the Articles of Association of the company. Here, Mrs. Shahana Khan offered herself for re-election and two other applied for election as a Director.

### Part-1:

Mr. Sk. Rasel Hossain- BO no. 1202410020665739 proposed the name of Mrs. Shahana Khan for reappointment as a Director. Advocate Mr. Riazul Islam- BO No. 120337000093837 seconded the proposal and thereafter all the shareholders present supported it.

Part-2:

Mr. Jahangir Alam, BO no. 120240000672037 proposed the name of Mr. Md. Mahatab Uddin while Mr. Zamshedur Rahman-Folio No. 1157 seconded and thereafter all the shareholders present supported it.

#### Approval:

The Managing Director recited the names of the candidates Mrs. Shahana Khan reappoint and Mr. Md. Mahatab Uddin appointed as Directors of the Company and a record was made thereof.

Thereafter the Managing Director went for next agenda.

#### Agenda No. 04:

To consider appointment of Auditors for the year 2010-2011 and to fix their remuneration

The Managing Director informed the meeting that M/S. Sarwar Salamat & Co., Chartered Accountant, audited our accounts for the last year and he is eligible for reappointment and also M/S. Aziz Halim Khair Choudhury, Chartered Accountant is offered to appointment as auditors of the company for the year 2010-2011. The Board of Directors' recommended that M/S. Aziz Halim Khair Choudhury, Chartered Accountants may be appointed for the year ended June 2011 subject to the approval of shareholders in the 13th AGM and clearance from SEC and such remuneration as will be fixed here.

Mr. Nuruzamman, Folio No. 517 proposed the M/S. Aziz Halim Khair Choudhury, Chartered Accountant to be appointed as the Auditor of the Company and that its remuneration be same as 120,000.00. Mr. Jahangir Alam, BO no. 120240000672037 seconded and thereafter all the shareholders present supported it.

#### Approval

The Managing Director announced that the auditor M/S. Aziz Halim Khair Choudhury has been appointed as auditor of the company for 2010-2011 and that its fee has been fixed at Tk.120,000.00 and a record was made thereof.

Thereafter the last agenda was placed before the meeting.

#### Agenda No. 05:

To transact any other business of the Company with the permission of the chair

Advocate Mr. Riazul Islam, BO No. 120337000093837 came to dais with the permission of the chair and praised of the company and its efficient and experienced management and hoped that the Company will do far better in future and then he thanked the Chairperson, Managing Director, Management, Company Secretary and all the shareholders to make the meeting successful. He showed his satisfaction to seeing the large gathering of shareholders too. He requested the Managing Director to organise some events with the shareholders, so that they can know the detailed activities of the company and the full audience supported it while in reply the Managing Director agreed with their proposal.

At the concluding address the Chairperson thanked all for their presence at the AGM and for their kind support and cooperation for making it a success and declared the Eleventh Annual General Meeting an end.

  
Md. Monir Hossain  
Company Secretary

  
Md. Sabur Khan  
Managing Director

## Independent Auditors' Report To the Shareholders of Daffodil Computers Limited

We have audited the accompanying financial statements of Daffodil Computers Limited (The Company), which comprise the statement of financial position as at June 30, 2011, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS)/Bangladesh Accounting Standards (BAS). This responsibility includes: designing, implementing and maintaining internal control relevant to preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in circumstances.

### Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above give a true and fair view of the financial position of Daffodil Computers Limited as at June 30, 2011, and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS)/ Bangladesh Accounting Standards (BAS) and comply with the applicable sections of the Companies Act, 1994, the Securities and Exchange Rule 1987 and applicable laws and regulations.

We also report that

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by the law have been kept by the company so far as it appeared from our examination of those books;
- c) the company's statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the company's business.

Place : Dhaka  
31 October 2011

  
**Aziz Halim Khair Choudhury**  
Chartered Accountants

**Daffodil Computers Limited**  
**Statement Of Financial Position**  
**As At 30 June 2011**

Particulars	Notes	Page	30 June 2011 Taka	30 June 2010 Taka
<b>APPLICATION OF FUNDS</b>				
<b>Non-Current Assets:</b>				
Property, Plant & Equipment	4	30	138,333,135	135,489,562
Customized Software Development	5	30	45,918,960	43,126,883
Work-in-Progress (Customized Software Development)	6	30	7,275,392	853,862
Investment in Subsidiaries & Others	7	30	126,971,366	35,323,282
Deferred Revenue Expenditure	8	30	1,247,000	1,558,750
			<b>319,745,853</b>	<b>216,352,339</b>
<b>Current Assets:</b>				
Inventories	9	31	58,058,489	36,577,632
Sundry Debtors	10	31	24,448,300	10,144,604
Advances, Deposits and Prepayments	11	32-34	51,647,360	61,296,741
Cash & Cash Equivalents	12	34-35	200,706,434	1,146,825
			<b>334,860,583</b>	<b>109,165,802</b>
<b>Less: Current Liabilities:</b>				
Bank Loans, Overdraft and Credit	13	36	97,678,565	33,962,503
Trade Creditors	14	36	8,240,741	8,301,321
Liabilities for Expenses	15	37	6,151,703	5,636,150
Unclaimed Dividend			30,765	34,365
Provision for Income Tax	16	37	13,763,795	11,476,109
			<b>125,865,569</b>	<b>59,410,448</b>
<b>Net Current Assets</b>			<b>208,995,014</b>	<b>49,755,354</b>
<b>Total:</b>			<b>528,740,867</b>	<b>266,107,693</b>
<b>SOURCES OF FUNDS</b>				
<b>Capital &amp; Reserves:</b>				
Share Capital	17	38	479,925,600	228,536,000
Retained Earnings	18	38	48,815,267	37,571,693
<b>Shareholders' Equity</b>			<b>528,740,867</b>	<b>266,107,693</b>
<b>Total:</b>			<b>528,740,867</b>	<b>266,107,693</b>

The accounting policies and other notes from 1 to 36 form an integral part of these Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 31 October 2011 and signed on its behalf by :

  
**Md. Monir Hossain**  
Company Secretary

  
**Md. Sabur Khan**  
Managing Director

  
**Mrs. Shahana Khan**  
Chairman

Signed in terms of our separate report of even date annexed.

Place : Dhaka  
31 October 2011

  
**Aziz Halim Khair Choudhury**  
Chartered Accountants

# Annual Report 2010-11

## Daffodil Computers Limited Statement Of Comprehensive Income For The Year Ended 30 June 2011

Particulars	Notes	Page	30 June 2011 Taka	30 June 2010 Taka
Turnover	19	39	275,209,157	229,875,624
Less: Cost of Goods Sold	20	39-40	215,431,535	186,865,097
<b>Gross Profit</b>			<b>59,777,622</b>	<b>43,010,527</b>
<b>Operating Expenses:</b>			<b>38,466,121</b>	<b>31,423,289</b>
Administrative Expenses	21	40-41	26,328,191	24,262,153
Selling & Distribution Expenses	22	41	1,469,571	1,550,695
Financial Expenses	23	41	10,668,359	5,610,441
<b>Operating Profit</b>			<b>21,311,501</b>	<b>11,587,238</b>
Income from DIPTI			935,624	1,082,395
Income from Subsidiaries-Dolphin Computers Ltd.			602,600	623,716
Indirect Income	24	41	13,535,135	1,347,099
<b>Net Profit before Tax</b>			<b>36,384,860</b>	<b>14,640,448</b>
Less: Provision for Income Tax	16	37	2,287,686	170,399
<b>Net Profit after Tax</b>			<b>34,097,174</b>	<b>14,470,049</b>
<b>Basic Earning Per Share (EPS)</b>	25	42	<b>0.94</b>	<b>0.63</b>
<b>Restated Basic Earning Per Share (EPS)</b>			<b>0.40</b>	<b>0.40</b>

The accounting policies and other notes from 1 to 36 form an integral part of these Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 31 October 2011 and signed on its behalf by :

  
**Md. Monir Hossain**  
Company Secretary

  
**Md. Sabur Khan**  
Managing Director

  
**Mrs. Shahana Khan**  
Chairman

Signed in terms of our separate report of even date annexed.

Place : Dhaka  
31 October 2011

  
**Aziz Halim Khair Choudhury**  
Chartered Accountants



# Annual Report 2010-11

## Daffodil Computers Limited Statement OF Cash Flows For The Year Ended 30 June 2011

Particulars	30 June 2011 Taka	30 June 2010 Taka
<b>A. Cash flow from Operating Activities:</b>		
Cash Received from Customers & Others	266,938,594	267,221,197
Cash Paid to Suppliers, Employees & Others	(247,417,810)	(194,862,653)
Cash generated from Operations:	19,520,784	72,358,544
Interest income from deposit	12,826,006	3,116
Financial Expenses	(10,668,359)	(5,610,441)
VAT paid	(497,102)	(201,822)
Income Tax	(2,126,898)	(714,015)
<b>Net cash flow from operating activities</b>	<b>19,054,431</b>	<b>65,835,382</b>
<b>B. Cash flow from Investing Activities:</b>		
Purchase of property, plant & equipment	(8,464,806)	(60,621,446)
Investment in subsidiary - JSE Recruitment	-	(1,623,604)
Investment made (Customized software development)	(5,208,864)	(7,632,852)
Work-in-Progress (Customized software development)	(6,421,530)	5,413,212
Investment in - Daffodil International School (DIS)	(91,648,084)	-
<b>Net cash used in investing activities</b>	<b>(111,743,284)</b>	<b>(64,464,690)</b>
<b>C. Cash flow from Financing Activities:</b>		
Right Share Issue	228,536,000	-
Bank Loan, Overdrafts & Credit	63,716,062	(1,146,827)
Dividend Paid	(3,600)	(186,210)
<b>Net Cash used in Financing Activities</b>	<b>292,248,462</b>	<b>(1,333,037)</b>
Net Increase/(Decrease) in Cash & Cash Equivalents	199,559,609	37,655
Cash & Cash Equivalents at Opening	1,146,825	1,109,170
<b>Cash &amp; Cash Equivalents at Closing</b>	<b>200,706,434</b>	<b>1,146,825</b>

The accounting policies and other notes from 1 to 36 form an integral part of these Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 31 October 2011 and signed on its behalf by :

  
Md. Monir Hossain  
Company Secretary

  
Md. Sabur Khan  
Managing Director

  
Mrs. Shahana Khan  
Chairman

Signed in terms of our separate report of even date annexed.

Place : Dhaka  
31 October 2011

  
Aziz Halim Khair Choudhury  
Chartered Accountants

**Daffodil Computers Limited**  
**Statement Of Changes In Shareholders' Equity**  
**For The Year Ended 30 June 2011**

Particulars	Share Capital	Proposed Dividend	Retained Earnings	Total
As on 30 June 2010	228,536,000	-	37,571,693	266,107,693
Net Profit after tax during the year	-	-	34,097,174	34,097,174
Issue of Right share	228,536,000	-	-	228,536,000
Issue of Bonus Share	22,853,600	-	(22,853,600)	-
<b>Balance as on 30 June 2011</b>	<b>479,925,600</b>	<b>-</b>	<b>48,815,267</b>	<b>528,740,867</b>
<b>Balance as on 30 June 2010</b>	<b>228,536,000</b>	<b>-</b>	<b>37,571,693</b>	<b>266,107,693</b>

The accounting policies and other notes from 1 to 36 form an integral part of these Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 31 October 2011 and signed on its behalf by :

  
**Md. Monir Hossain**  
Company Secretary

  
**Md. Sabur Khan**  
Managing Director

  
**Mrs. Shahana Khan**  
Chairman

Signed in terms of our separate report of even date annexed.

Place : Dhaka  
31 October 2011

  
**Aziz Halim Khair Choudhury**  
Chartered Accountants

## Daffodil Computers Limited Notes To The Financial Statements For The Year Ended 30 June 2011

### 1.00 REPORTING ENTITY:

#### 1.01 Legal form of Company

Daffodil Computers Limited started its business in the year 1990 as a sole proprietorship business organization. It was converted into a Private Limited Company on 26 January 1998 under the Companies Act, 1994 and registered with the Registrar of Joint Stock Companies and Firms and its Registration No. is C-34749. Again it was converted into a Public Limited Company on 25 April 2002. The company is listed with the Dhaka & Chittagong Stock Exchange of Bangladesh.

#### 1.02 Address of the Registered and Corporate Office

The Registered Office and principal place of business of the company is situated at 64/3 Lake Circus, Kalabagan (2nd Floor), Mirpur Road, Dhaka - 1215.

#### 1.03 Nature of Business Activities

The main objectives of the Company is to carry on the business of buying component parts, assembling, selling and marketing all types of computer, computer peripherals, accessories, hardware, software, software development including network installation, services, electric, electronics office equipments, training aids, communication equipments, audio visual equipments and all other allied items.

#### 1.04 Number of Employees

The numbers of employees at year-end were 134 (One hundred thirty four) persons.

### 2.00 BASIS OF PREPARATION:

#### 2.01 Statement of Compliance

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987 and IFRSs/ IASs adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Financial Reporting Standards (BFRSs) / Bangladesh Accounting Standards (BAS). The Statement of financial position and the statement of comprehensive income have been prepared according to IAS 1 (Presentation of Financial Statements) based on accrual basis following going concern assumption and statement of cash flows according to IAS 7 (Cash Flow Statement).

## 2.02 Basis of measurement

The financial statements have been prepared on the historical cost basis.

## 2.03 Functional and presentational currency and level of precision

The financial statements are prepared in Bangladesh Taka (Taka/Tk.) which is the company's functional currency. All financial information presented in Taka has been rounded off to the nearest taka.

## 2.04 Use of estimates and judgment

The preparation of financial statements requires management to make judgments estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from the estimates. Estimates and underlying assumptions are reviewed on an on going basis.

## 2.05 Reporting period

The financial period of the company covers one year from 01 July to 30 June and is followed consistently.

## 3.00 SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### 3.01 Application of Standards

In preparing and presenting these financial statements, considering relevant for the significant accounting issues of the company, which were issued by the ICAB formulated in the light of the IASs originally issued by the International Accounting Standard Board and the conditions and practices prevailing in Bangladesh and which also stand valid as on the statement of financial position date.

### 3.02 Impact of Recently Issued Accounting Standards

There was no such impact on these financial statements as no new accounting standard was issued by the ICAB during the year under audit.

### 3.03 Recognition of Property, Plant & Equipment and Depreciation:

Property, Plant and Equipment are stated at their cost less accumulated depreciation in accordance with IAS 16 "Property, Plant and Equipment". Cost represents cost of acquisition or construction. Full year's depreciation has been charged on additions irrespective of the date when the related assets are put into use. Depreciation on all other property, plant and equipment are computed using the reducing balance method in amounts sufficient to write off depreciable assets over their estimated useful economic lives. Depreciation has been charged at varying rate from 10% to 15% for all assets.

Depreciation has been charged to administration expenses consistently.

Property, Plant and Equipment acquired under leases were not capitalized but the lease rentals were expensed as they were incurred.

#### **3.04 Inventories**

Inventories comprise computers, computer peripherals, accessories, hardware, software, etc. They are stated at the lower of cost and net realizable value in accordance with IAS 2 "Inventories" after making due allowances for any obsolete or slow moving items.

The cost is calculated on weighted average method consistently. Costs comprise expenditure incurred in the normal course of business in bringing such inventories to its location and conditions. Where necessary, provision is made for obsolete, slow moving and defective inventories (if any) identified at the time of physical verification of inventories.

#### **3.05 Cash and Cash Equivalents**

For the purpose of statement of financial position and statement of cash flows, cash in hand and bank balances represent cash and cash equivalents considering the IAS 1 "Presentation of Financial Statements" and IAS 7 "Cash Flow Statement", which provide, that cash and cash equivalents are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value and are not restricted as to use.

#### **3.06 Creditors and Accrued Expenses**

Liabilities are recognized for amounts to be paid in the future for goods and services received whether or not billed by the suppliers.

#### **3.07 Taxation**

The Company is a listed public limited company. As per the Income Tax Ordinance, 1984, provision for tax has been made at the existing rate of 27.5%. Details calculation of provision for taxation for Income Tax is shown in note-16.

#### **3.08 Revenue Recognition**

Revenue is recognized as per IAS 18 "Revenue Recognition" as follows:

- a) Revenue has been recognized at the time of invoice made for the goods and services rendered by the company.
- b) Other Incomes are recognized at the time of receipt of money from other purpose than the normal course of business of the Company.

#### **3.09 Leases**

Lease rentals against assets acquisition have been expensed as they were incurred.

### 3.10 Earnings per share:

- (a) **Basic Earnings per Share (BEPS):** Basic Earnings per share has been calculated by dividing the earnings attributable to the number of shares (ordinary) outstanding during the year.
- (b) **Weighted average Number of shares outstanding during the year:** This represents the number of ordinary shares outstanding at the beginning of the year plus the year the numbers of ordinary shares issued during the year multiplied by a time weighting factor. The time weighting factor is the number of days the specific shares are outstanding as a proportionate of the number of days in the year.

### 3.11 Statement of Cash flows

Statement Cash flows is prepared principally in accordance with IAS 7 "Cash Flow Statement" and the cash flow from the operating activities have been presented under direct method considering the provision of Paragraph 19 of IAS -7 which provides that Enterprises are encouraged to report Cash Flow from Operating Activities using the Direct Method.

### 3.12 Additional information on Financial Statements

#### a) Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation and presentation of Financial Statement under Section 183 of The Companies Act 1994 and as per the provisions of the Framework for the Preparation And Presentation of Financial Statements" issued by the International Accounting Standards Committee (IASC).

#### b) Components of the Financial Statements

According to the International Accounting Standard (IAS) 1 "Presentation of Financial Statements", the complete set of Financial Statements includes the following components:

- (i) Statement of Financial Position as at 30 June 2011.
- (ii) Statement of Comprehensive Income for the year ended 30 June 2011
- (iii) Statement of Cash Flows for the year ended 30 June 2011
- (iv) Statement of Changes in Shareholders' Equity for the year ended 30 June 2011.
- (v) Notes to the Financial Statements for the year ended 30 June 2011.

#### c) Risk and Uncertainties for use of estimates in preparation of financial Statements

The preparation of Financial Statements in conformity with the International Accounting Standards requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting certain items, such as, provision for Doubtful accounts, depreciation and amortization, taxes reserves and contingencies.

#### d) Comparative information

Comparative information have been disclosed in respect of the year 2010-2011 for all numerical information in the financial Statements and also the narrative and descriptive information when it is relevant and for understanding of the current year's financial statement. Figures of the year 2009-2010 have been rearranged whenever considered necessary to ensure comparability with the current year.

# Annual Report 2010-11

Particulars	30 June 2011 Taka	30 June 2010 Taka
<b>4.00 FIXED ASSETS (At cost less depreciation):</b>		
This is made up as follows :		
At Cost		
Opening Balance	184,565,219	123,943,773
Addition During the year	8,464,806	60,621,446
<b>Total</b>	<b>193,030,025</b>	<b>184,565,219</b>
Depreciation		
Accumulated depreciation up to last year	(49,075,657)	(43,910,817)
Charged for the year	(5,621,233)	(5,164,840)
	<b>(54,696,890)</b>	<b>(49,075,657)</b>
<b>Written down value</b>	<b>138,333,135</b>	<b>135,489,562</b>
Details have been shown in Annexure-1		
<b>5.00 CUSTOMIZED SOFTWARE DEVELOPMENT:</b>		
This represent as under:		
Opening Balance	43,126,883	37,763,867
Add: Development cost during this year	5,208,864	7,632,852
	<b>48,335,747</b>	<b>45,396,719</b>
Less: Amortization @ 5%	2,416,787	2,269,836
<b>Total:</b>	<b>45,918,960</b>	<b>43,126,883</b>
This represents the cost of Customized Software developed by the Company through various Programmers engaged on contractual as well as regular employment basis.		
<b>6.00 WORK-IN-PROGRESS (Customized Software Development):</b>	<b>7,275,392</b>	<b>853,862</b>
This represents cost allocated to Customized Software which are under progress of development.		
<b>7.00 INVESTMENT IN SUBSIDIARIES &amp; OTHERS:</b>		
Dolphin Computer Ltd	14,400,000	14,400,000
JS E Recruitment Limited	20,923,282	20,923,282
Daffodil International School (DIS)	91,648,084	-
<b>Total:</b>	<b>126,971,366</b>	<b>35,323,282</b>
This represent the amount investment in subsidiaries.		
<b>8.00 DEFERRED REVENUE EXPENDITURE:</b>		
Opening Balance	1,558,750	1,948,438
Add: Addition during the period	-	-
	<b>1,558,750</b>	<b>1,948,438</b>
Less: Amortization 20%	311,750	389,688
<b>Total:</b>	<b>1,247,000</b>	<b>1,558,750</b>

# Annual Report 2010-11

Particulars	30 June 2011 Taka	30 June 2010 Taka
<b>9.00 INVENTORIES:</b>		
This represents as under :		
Computers-Finished/HP	11,326,539	5,277,286
Computer-Daffodil PC	10,091,041	5,929,388
Printers	2,472,260	1,238,202
Monitor	5,245,582	3,060,525
Hardware	8,056,893	5,220,475
Accessories	10,248,723	6,020,400
UPS	672,206	474,183
Stabilizer	16,897	18,305
Software	9,928,348	9,338,868
<b>Total:</b>	<u><u>58,058,489</u></u>	<u><u>36,577,632</u></u>
<b>10.00 SUNDRY DEBTORS:</b>		
This represents as under :		
10.01 Trade Debtors	24,387,850	10,104,104
10.02 Other Debtors	60,450	40,500
<b>Total:</b>	<u><u>24,448,300</u></u>	<u><u>10,144,604</u></u>
This is unsecured but considered good.		
<b>10.01 TRADE DEBTORS:</b>		
This is arrived at as under :		
Opening balance	10,104,104	40,058,432
Add: Addition during the year	187,894,624	102,685,962
	<u>197,998,728</u>	<u>142,744,394</u>
Less: Realized during the year	173,610,878	132,640,290
<b>Closing Balance:</b>	<u><u>24,387,850</u></u>	<u><u>10,104,104</u></u>
<b>10.02 OTHER DEBTORS:</b>		
This is arrived at as under :		
Opening balance	40,500	322,657
Add: Addition during the year	124,500	22,452
	<u>165,000</u>	<u>345,109</u>
Less: Realized during the year	104,550	304,609
<b>Closing balance:</b>	<u><u>60,450</u></u>	<u><u>40,500</u></u>

This is unsecured but considered good.



# Annual Report 2010-11

Particulars	30 June 2011 Taka	30 June 2010 Taka
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## 10.03 Related Party Transactions- Disclosures Under BAS 24 " Related Party Disclosures"

No amount was due by the Directors ( including Chairman & Managing Director ), Managing agent, Manager and officers of the Company and any of them severally or jointly with any other person. However during the period under review, the company carried out a number of transactions with related party in the normal course of business. The nature of these transactions and their value have been set out in accordance with the provisions of BAS 24" Related party Disclosures" Details are given below:

Name of Company	Nature of Transactions	"Head of A/C."	2010 - 2011	2009 - 2011
Daffodil Software Ltd. (DSL)	Sales of Software through DSL	"Other Debtors"	60,450	40,500
<b>Total:</b>			<b>60450</b>	<b>40500</b>

## 11.00 ADVANCES, DEPOSITS AND PREPAYMENTS:

### Advances:

11.01 Income Tax	12,878,073	10,751,175
11.02 Local Purchase	5,085,500	185,695
11.03 Office Rent	2,220,668	1,774,860
11.04 Salaries	767,047	668,047
11.05 Advance against Development works	1,441,900	18,634,356
11.06 Advance against Projects Expenses	26,182,016	26,182,016
Advance against C & F Expenses	44,004	25,000

### Deposits:

11.07 Security Deposit	363,227	365,687
11.08 Earnest Money	399,115	417,095
11.09 Bank Guarantee Margin	846,810	846,810
11.1 L/C Margin	1,419,000	1,446,000
<b>Total:</b>	<b>51,647,360</b>	<b>61,296,741</b>

This is unsecured but considered good.

## 11.01 ADVANCE INCOME TAX :

This consists of :

<b>Opening balance</b>	10,751,175	10,037,160
	1,292,711	16,850
Deducted by Customs Authority at the time of Import during the year	10,111	16,850
Deducted by Bank a/c	1,282,600	-
AIT paid in Cash	834,187	697,165
<b>Closing Balance:</b>	<b>12,878,073</b>	<b>10,751,175</b>

# Annual Report 2010-11

Particulars	30 June 2011 Taka	30 June 2010 Taka
<b>11.02 ADVANCE AGAINST LOCAL PURCHASE:</b>		
Party wise break up is as under :		
Name of Vendor		
Sys Computers	2,550,000	30,695
Next Technology	2,500,000	25,000
Sys International	35,500	125,000
Softcom	-	5,000
<b>Total:</b>	<b>5,085,500</b>	<b>185,695</b>
<b>11.03 ADVANCE AGAINST OFFICE RENT:</b>		
Head Office	316,652	425,852
Banani Branch	800,016	125,008
Br.Office Rent - Ctg Br.	1,020,000	1,140,000
Br. Office Rent - Elephant Road Br.	84,000	84,000
<b>Total:</b>	<b>2,220,668</b>	<b>1,774,860</b>
<b>11.04 ADVANCE AGAINST SALARIES :</b>	<b>767,047</b>	<b>668,047</b>
This amount has been paid to the staff and officers of the company which is being adjusted against their monthly salary.		
<b>11.05 ADVANCE AGAINST DEVELOPMENT WORKS:</b>		
Daffodil Grameen Education Program	-	7,959,806
Daffodil International School (DIS)	-	9,232,650
KIOSK	1,441,900	1,441,900
<b>Total:</b>	<b>1,441,900</b>	<b>18,634,356</b>
<b>11.06 ADVANCE AGAINST PROJECT EXPENSES:</b>		
BRTA-IS Project	19,831,258	19,831,258
WASA	6,350,758	6,350,758
<b>Total:</b>	<b>26,182,016</b>	<b>26,182,016</b>
The company filed a case to Honourable High Court Division against chairman, BRTA to realise the project money and the decision is still pending with the High Court Division.		
<b>11.07 SECURITY DEPOSIT:</b>		
The movement is as under:		
<b>Opening balance</b>	<b>365,687</b>	<b>869,012</b>
Add: Addition during the year	-	45,000
	<b>365,687</b>	<b>914,012</b>
Less: Matured and collected during the year	2,460	548,325
<b>Closing balance:</b>	<b>363,227</b>	<b>365,687</b>
This is against supply to different Government and Corporate Authorities. This amount has been kept by the buyer/clients as security in compliance with terms of tenders and work orders. It is required for certain supplies and varies from 5% to 10% of the invoice value. The amount will be brought to fund on the event of maturity.		

# Annual Report 2010-11

Particulars	30 June 2011 Taka	30 June 2010 Taka
<b>11.08 EARNEST MONEY:</b>		
The movement is as under:		
Opening balance	417,095	2,019,275
Add: Addition during the year	12,600	80,600
	429,695	2,099,875
Less: Withdrawal during the year	30,580	1,682,780
Closing balance:	399,115	417,095

This amount represents the money that is required at the time of bidding tenders.

## 11.09 BANK GUARANTEE MARGIN:

It consists of :

BARI	33,960	33,960
Bangladesh Road Transport Authority	798,000	798,000
UNDP	14,850	14,850
<b>Total:</b>	<b>846,810</b>	<b>846,810</b>

This relates to normal trading supply to corporate type clients. These guaranties were issued from Mercantile Bank Ltd. Dhanmondi Branch in compliance with the work order for supply to trading goods. These were issued for certain periods from one or two years depending upon the terms of work orders.

## 11.10 L/C MARGIN:

This consists of:

L/C No. DN-174610010207	-	1,017,000
L/C No. DN-174610010234	-	429,000
L/C No. DN-1746110101188	393,000	-
L/C No. DN-1746110101190	1,026,000	-
<b>Total:</b>	<b>1,419,000</b>	<b>1,446,000</b>

This represents that portion of imports for which L/C has been opened.

## 12.0 CASH AND CASH EQUIVALENTS:

This consists of as follows:

12.01 Cash at Bank	327,628	592,084
12.02 Cash in Hand	239,934	444,891
12.03 Cheques in Hand	138,872	109,850
12.04 Fixed deposit	200,000,000	-
<b>Total:</b>	<b>200,706,434</b>	<b>1,146,825</b>

The break up is given below:

# Annual Report 2010-11

Particulars		30 June 2011 Taka	30 June 2010 Taka
<b>12.01 CASH AT BANK:</b>			
<b>Name of Bank</b>	<b>Name of A/C.</b>		
Al- Baraka Bank, IDB Bhaban Br., Dhaka	CD	-	703
The Premier Bank Ltd., Banani Br., Dhaka	CD	17,839	13,077
Arab Bangladesh Bank, Elephant Road Br., Dhaka.	CD	-	464
Uttara Bank, Nasirabad Br., Chittagong	CD	-	1,274
Uttara Bank, Green Road Br., Dhaka	CD	-	1,760
Mercantile Bank, Dhanmondi Br., Dhaka	CA	8,641	372,097
Mercantile Bank, Dhanmondi Br.	CD	-	50,480
HSBC, Anchor Tower Br., Dhaka	CD	84,557	34,245
Islami Bank BD Limited, IDB Bhaban Br.	CD	98,082	4,727
Standard Chartered Bank	CA	232	10,012
BRAC Bank Ltd.	CD	-	731
BRAC Bank Ltd.	CA	1,020	1,020
Southeast Bank Ltd.	CD	1,054	1,054
SIBL	CD	24,273	24,860
Dutchbangla Bank Ltd.	CA	24,368	31,411
Dutchbangla Bank Ltd.	CD	39,860	1,854
Dutchbangla Bank Ltd.	CD	8,523	-
Bangladesh Krishi Bank	CA	-	1,294
National Bank	CD	7,659	29,856
Mercantile Bank Ltd.	STD	11,520	11,165
<b>Total:</b>		<b>327,628</b>	<b>592,084</b>

Cash at bank balances have been confirmed with Bank Statements and Bank Balance Confirmation Certificate and reconciliation statements have been prepared where necessary.

<b>12.02 CASH IN HAND:</b>			
H.O. - Main Cash		65,170	194,858
IDB Bhaban Br.		10,020	52,301
Banani Br.		14,144	58,670
Chittagong Br.		136,527	125,450
Bashundhara City Branch		14,073	13,612
<b>Total:</b>		<b>239,934</b>	<b>444,891</b>

Balance has been confirmed with book balance and supported by certificate.

<b>12.03 CHEQUES IN HAND:</b>		<b>138,872</b>	<b>109,850</b>
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This represents Credit card & cheques received but not deposited within 30-06-2011

<b>12.04 FIXED DEPOSIT :</b>			
This is as follows :			
Opening Balance		-	-
Add: FDR during the year		200,000,000	-
Add: Interest received during the year :		12,826,006	-
		<b>212,826,006</b>	-
Less : Tax deducted at source		1,282,600	-
Less : Encashed to adjust CC, LTR & Term loan		11,543,406	-
<b>Closing Balance</b>		<b>200,000,000</b>	-

# Annual Report 2010-11

Particulars	30 June 2011 Taka	30 June 2010 Taka
<b>13.00 BANK LOAN, OVERDRAFT AND CASH CREDIT:</b>		
13.01 Loan against Trust Receipt (LTR)	7,337,694	3,160,983
13.02 CC (Hypo)	26,478,986	16,884,346
13.03 Term Loan - MBL	11,744,668	13,917,174
13.04 Term Loan - SIBL	52,117,217	-
<b>Total:</b>	<u>97,678,565</u>	<u>33,962,503</u>
<b>13.01 LOAN AGAINST TRUST RECEIPT (LTR) :</b>	<u>7,337,694</u>	<u>3,160,983</u>

This is payable to Mercantile Bank Ltd. Dhanmondi Br.Dhaka. This amount was drawn against a credit facility granted from the said Bank for financing import of computer, computer accessories and peripherals. Maximum time limit of LTR adjustment is 1 (one) year but each LTR shall have to be adjusted by a maximum period of 90 days from the date creation. Rate of interest is 16% p.a. and is chargeable quarterly basis on outstanding amount. This credit facility is secured by 1st charge on the fixed and floating assets of the company.

<b>13.02 CC (Hypo)</b>	<u>26,478,986</u>	<u>16,884,346</u>
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This is payable to Mercantile Bank Ltd . Dhanmondi Br .Dhaka .This amount was used for L/C opening, endorsement, working capital financing and to maintain satisfactory stocks of Computers & Computer accessories. Rate of interest is 16% p.a. and is chargeable quarterly basis. This cash credit facility is secured by Hypothecation of stock in trade and 1st charge on the fixed and floating assets of the company.

<b>13.03 TERM LOAN - MBL</b>	<u>11,744,668</u>	<u>13,917,174</u>
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This item of Credit Facility has been created after full adjustment of SOD(WO) and bears interest @ 16% p.a and is repayable in 36 equal monthly installments commencing from August 2008.The loan is secured by hypothecation of stock in trade.

<b>13.04 TERM LOAN - SIBL</b>	<u>52,117,217</u>	<u>-</u>
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This item of Credit Facility has been created , bears interest @ 16% p.a and is repayable in 36 equal monthly installments commencing from March'2011.The loan is secured by hypothecation of stock in trade.

#### 14.00 TRADE CREDITORS:

<b>Opening balance</b>	8,301,321	5,601,383
Add: Addition during the year	98,796,472	58,526,890
	<u>107,097,793</u>	<u>64,128,273</u>
Less: Paid/ Adjusted during the year	98,857,052	55,826,952
<b>Closing balance:</b>	<u>8,240,741</u>	<u>8,301,321</u>

This is against credit purchase of trading goods from local vendors.

# Annual Report 2010-11

Particulars	30 June 2011 Taka	30 June 2010 Taka
<b>15.00 LIABILITIES FOR EXPENSES:</b>		
This amount consists of liabilities for salaries , office rent , utilities bill and other purchases. Break up of the above amount is as under :		
Salaries & Allowances	532,326	625,452
Contribution to Employees PF	4,851,818	4,493,090
Audit Fee	120,000	120,000
Telephone Bill	35,468	34,562
Electricity Bill	64,600	54,852
Paper Bills	1,902	1,986
Internet Bills	10,500	14,850
Insurance premium	109,213	67,358
Renewal Fee	425,876	224,000
<b>Total:</b>	<b>6,151,703</b>	<b>5,636,150</b>
<b>16.00 PROVISION FOR INCOME TAX:</b>		
Opening Balance	11,476,109	11,305,710
Total Income as per Profit & Loss Account before tax	36,384,860	14,640,448
16.01 Less: Income from Software	28,066,002	14,020,816
<b>Taxable Income</b>	<b>8,318,858</b>	<b>619,632</b>
Provision for Income Tax @ 27.5%	2,287,686	170,399
<b>Closing Balance</b>	<b>13,763,795</b>	<b>11,476,109</b>
<b>16.01 INCOME FROM SOFTWARE:</b>		
Sales of Software	69,569,618	57,282,540
<b>Less : Expenditure:</b>	<b>41,503,616</b>	<b>43,261,724</b>
Direct Expenses	28,272,029	32,245,852
Administrative Expenses	7,173,421	6,597,695
Selling & Distribution Expenses	440,871	465,209
Financial Expenses	3,200,508	1,683,132
Add : Amortization Expenses on CSD	2,416,787	2,269,836
<b>Total:</b>	<b>28,066,002</b>	<b>14,020,816</b>

Assessment of income tax for the accounting year 2001-2002 is still pending as it is under process of settlement by the High Court. Provision for some years of which assessment are completed is yet to be adjusted.

# Annual Report 2010-11

Particulars	30 June 2011 Taka	30 June 2010 Taka
<b>17.00 SHARE CAPITAL:</b>		
<b>17.01 Authorized:</b> 50,000,000 Ordinary Shares of Tk. 10.00 each	<u>500,000,000</u>	<u>300,000,000</u>
<b>17.02 Issued, Subscribed and paid up:</b>		
17,500,000 shares of Tk.10.00 each fully paid up in cash.	175,000,000	175,000,000
1,750,000 bonus share of Tk.10each issued in 2006-2007	17,500,000	17,500,000
1,155,000 bonus share of Tk.10 each issued in 2007-2008	11,550,000	11,550,000
2,448,600 bonus share of Tk.10 each issued in 2008-2009	24,486,000	24,486,000
2285360 bonus share of Tk. 10 each issued in 2009 - 2010	22,853,600	-
22853600 Right Issue of Tk. 10 each issued in 2009 -2010	228,536,000	-
	<u>479,925,600</u>	<u>228,536,000</u>

Shareholding position was as follows :

Name of the Shareholders	No. of Shares	%	Amount
Promoters	21,702,237	45.00	217,022,370
General Public	26,290,323	55.00	262,903,230
<b>Total:</b>	<u>47,992,560</u>	<u>100.00</u>	<u>479,925,600</u>

Distribution Schedule-Disclosure under the listing regulations of stock exchange

This distribution schedule showing the number of shareholders and their shareholdings in percentage has been disclosed below a requirement of the "Listing Regulations of Dhaka & Chittagong Stock Exchange":

"Shareholders Range in number of Shares"	Number of Holders	Number of Shares	% of holdings	Amount of Share Capital
Less than 500 Shares	4,973	3,349,881	6.98	33,498,810
501 to 5,000 Shares	3,968	13,245,946	27.60	132,459,460
5,001 to 10,000 Shares	198	3,162,710	6.59	31,627,100
10,001 to 20,000 Shares	69	2,039,684	4.25	20,396,840
20,001 to 30,000 Shares	12	647,899	1.35	6,478,990
30,001 to 40,000 Shares	12	873,464	1.82	8,734,640
40,001 to 50,000 Shares	8	777,479	1.62	7,774,790
50,001 to 100,000 Shares	5	772,680	1.61	7,726,800
100,001 to 1,000,000 Share	3	2,409,226	5.02	24,092,260
Over 1,000,000 Shares	4	20,713,591	43.16	207,135,910
<b>Total</b>	<u>9,252</u>	<u>47,992,560</u>	<u>100.00</u>	<u>479,925,600</u>

## 18.00 Retained Earnings:

Opening Balance	37,571,693	23,101,644
Add: Addition during the year	34,097,174	14,470,049
	<u>71,668,867</u>	<u>37,571,693</u>
Dividend (Bonus Share)	22,853,600	-
Closing Balance	<u>48,815,267</u>	<u>37,571,693</u>

# Annual Report 2010-11

Particulars	30 June 2011 Taka	30 June 2010 Taka
<b>Allocation:</b>		
21.01 Hardware & Network activities 70%	16,737,983	15,394,622
21.02 Customized Software & Web hosting activities 30%	7,173,421	6,597,695
	<u>23,911,404</u>	<u>21,992,317</u>
Add: Amortization expenses 5% on cost of Customized SW Development	2,416,787	2,269,836
<b>Total:</b>	<u>26,328,191</u>	<u>24,262,153</u>
<b>22.00 SELLING &amp; DISTRIBUTION EXPENSES:</b>		
Postage & Stamp	7,635	23,638
Advertisement	68,900	150,800
Business Promotion Expenses	805,630	568,297
Carriage outward	1,000	11,198
Replacement of sold goods	21,600	76,320
Sales incentives	564,806	720,442
<b>Total:</b>	<u>1,469,571</u>	<u>1,550,695</u>
<b>Allocation:</b>		
22.01 Hardware & Network activities 70%	1,028,700	1,085,486
22.02 Customized Software & Web hosting activities 30%	440,871	465,209
<b>Total:</b>	<u>1,469,571</u>	<u>1,550,695</u>
<b>23.00 FINANCIAL EXPENSES:</b>		
Bank Interest	7,107,930	1,977,831
Rental charge for Leased Assets	3,560,429	3,632,610
<b>Total:</b>	<u>10,668,359</u>	<u>5,610,441</u>
<b>Allocation:</b>		
23.01 Hardware & Network activities 70%	7,467,851	3,927,309
23.02 Customized Software & Web hosting activities 30%	3,200,508	1,683,132
<b>Total:</b>	<u>10,668,359</u>	<u>5,610,441</u>
<b>24.00 INDIRECT INCOME:</b>		
Interest on Deposit	12,826,006	3,116
24.01 Income from DCL general service section	610,549	1,007,787
24.02 Income from Dpc service section	98,580	336,196
<b>Total :</b>	<u>13,535,135</u>	<u>1,347,099</u>
<b>24.01 INCOME FROM DCL GENERAL SERVICE SECTION:</b>		
Service bills received	4,411,157	4,256,422
Less: Cost of Spare parts	3,800,608	3,248,635
<b>Total :</b>	<u>610,549</u>	<u>1,007,787</u>
<b>24.02 INCOME FROM DPC SERVICE SECTION:</b>		
Service bills received	267,650	944,733
Less: Cost of Spare parts	169,070	608,537
<b>Total :</b>	<u>98,580</u>	<u>336,196</u>



# Annual Report 2010-11

Particulars	30 June 2011 Taka	30 June 2010 Taka
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25. **00 BASIC EARNING PER SHARE (EPS) Disclosure under BAS 33" Earning per Share"**

The computation of EPS is given below :

a) Net Profit after Tax	34,097,174	14,470,049
(b) Weighted aver. number of Ordinary Shares outstanding during the year	36,284,003	22,853,600
(c) <b>Basic EPS</b>	<u>0.94</u>	<u>0.63</u>

**Restated:**

a) Net Profit after Tax	14,470,049
(b) Weighted aver. number of Ordinary Shares outstanding during the year	36,284,003
<b>Basic EPS</b>	<u>0.40</u>

Period of Share Holdings	Particulars	"No. of Shares"	Total Days	Weighted Average Nos of Shares of Outstanding
01.07.2010 to 30.06.2011	Opening Balance	22,853,600	365	22,853,600
01.07.2010 to 30.06.2011	Bonus Share	2,285,360	365	2,285,360
04.01.2011 to 30.06.2011	Right Issue	22,853,600	178	11,145,043
<b>Total:</b>		<b>47,992,560</b>		<b>36,284,003</b>

## 26.00 Quantitative and Figurative Statement of Purchase, Sales and Inventories of Goods For the period ended 30 June 2011.

As per requirements of Schedule -XI (Part II) Section 3 (i)(c) of Companies Act 1994. In case of trading companies, the purchase made and the opening and closing stocks, giving break up in respect of each class of goods traded in by the company and indicate

### Other than Hardware Items :

Elements	Computers Finished	Computer Daffodil PC	Printers	Monitor	Accessories	UPS	Stabilizer	Software	Total Taka
Opening quantity	212	247	94	671	Various	185	72	Various	
Add : Purchases- Qty.	2,184	3,187	972	2,076	Various	1,680	450	Various	
Goods available for sale- Qty	2,396	3,434	1,066	2,747	Various	1,865	522	Various	
Less: Goods sold Qty.	1,936	3,012	868	1,955	Various	1,614	513	Various	
Closing Balance Qty.	460	422	198	792	Various	251	9	Various	
Opening Balance	212	247	94	671	Various	185	72	Various	
Average Unit Cost- Taka	24892.86	24005.62	13172.36	4561.14	Various	2563.15	254.23	Various	
Total cost of opening Stock Tk.	5,277,286	5,929,388	1,228,202	3,060,525	6,020,400	474,183	18,305	9,328,868	31,357,157
Add : Purchases- Qty	2,184	3,187	972	2,076	Various	1,680	450	Various	
Average Unit Cost- Taka	24,526.12	23,856.23	12,744.41	6,578.29	Various	2,576.28	1,899.56	Various	
Total cost of Purchase Tk.	53,565,046	76,029,805	12,387,567	13,656,530	19,998,442	4,328,150	854,802	9,869,915	190,690,257
Less: Goods sold	1,936	3,012	868	1,955	Various	1,614	513	Various	
Unit Sales price - Average	26,795.38	25,215.07	14,152.94	6,881.11	Various	3,229.54	1,997.16	Various	
Total Sales - Taka	51,875,856	75,947,791	12,284,752	13,452,570	16,975,645	5,212,478	1,024,543	11,778,958	188,532,593
Closing Quantity	460	422	198	792	Various	251	9	Various	
Average Unit Cost- Taka	24622.91	23912.42	12486.16	6623.21	Various	2678.11	1877.41	Various	
Total cost of Cl. Stock Tk.	11,326,539	10,091,041	2,472,260	5,245,582	10,248,723	672,206	16,897	9,928,348	50,001,596
Cost of materials	47,515,793	71,868,152	11,153,509	11,471,473	15,770,119	4,130,127	856,210	9,280,435	172,045,818

## 26.01 Hardware Items

Elements	Processor Board	Mother Board	Harddisk	CD Rom Drive	Key Board	FDD	DVD/COMBO Drive	RAM	AGP Card	Sound Card	CD Writer	Others	Total Taka
Opening quantity	107	64	97	56	369	24	99	201	111	24	29	Various	
Add : Purchases- Qty.	264	514	663	128	1,087	82	785	814	522	27	264	Various	
Goods available for sale-Qty.	371	578	760	184	1,456	106	884	1,015	633	51	293	Various	
Less: Goods sold Qty.	196	459	583	97	841	82	707	645	471	27	261	Various	
Closing Balance Qty.	175	119	177	87	615	24	177	370	162	24	32	Various	
Opening Balance	107	64	97	56	369	24	99	201	111	24	29	Various	
Average Unit Cost- Taka	6,287.69	4,218.74	3,365.26	1,299.63	229.51	628.49	1,586.99	1,010.31	2,505.68	1,022.33	2,498.87	Various	
Total cost of opening Stock Tk.	673,853	269,999	326,430	72,779	81,689	15,684	157,112	203,072	277,908	24,536	72,467	3,042,544	5,220,475
Add : Purchases- Qty	264	514	663	128	1,087	82	785	814	522	27	264	Various	
Average Unit Cost- Taka	5,942.65	4,531.39	3,300.15	1,305.95	238.36	602.33	1,544.34	988.74	2,487.23	1,013.54	2,478.67	Various	
Total cost of Purchase Tk.	1,568,654	2,323,994	2,121,699	167,162	248,227	49,391	1,212,307	812,974	1,298,334	27,366	654,369	4,897,759	15,382,436
Less: Goods sold	196	459	583	97	841	82	707	645	471	27	261	Various	
Unit Sales price - Average	9,973.76	5,938.66	5,190.18	1,710.04	388.77	1,005.83	2,464.73	1,581.97	3,537.22	1,477.22	3,741.45	Various	
Total Sales -- Taka	1,954,857	2,725,845	3,025,875	165,874	326,957	82,478	1,742,564	1,020,371	1,675,451	39,883	976,518	4,017,623	177,53,698
Closing Quantity	175	119	177	87	615	24	177	370	162	24	32	Various	
Average Unit Cost- Taka	6,920.51	4,286.36	3,312.47	1,378.27	254.16	599.17	1,685.98	1,024.26	2,477.29	1,054.96	2,678.31	Various	
Total cost of CL Stock Tk.	1,212,664	510,077	586,307	119,909	156,308	14,380	298,418	378,976	401,321	25,319	85,706	4,267,508	8,056,893
<b>Cost of materials</b>	<b>1,030,043</b>	<b>2,683,916</b>	<b>1,861,822</b>	<b>120,032</b>	<b>176,608</b>	<b>50,695</b>	<b>1,071,401</b>	<b>637,070</b>	<b>1,174,921</b>	<b>26,583</b>	<b>641,130</b>	<b>3,672,795</b>	<b>12,546,018</b>

## SUMMARY OF COST OF MATERIALS AND SALES & CLOSING INVENTOR

	Other than Hardware	Hardware	Total
Opening Stock	31,357,157	5,220,475	36,577,632
Add: Purchase	190,690,257	15,382,436	206,072,693
	222,047,414	20,602,911	242,650,325
Less: Closing Stock	50,001,596	8,056,893	58,058,489
Cost of Materials	172,045,818	12,546,018	184,591,836
<b>Gross Sales</b>	<b>188,592,593</b>	<b>17,753,688</b>	<b>206,346,281</b>

**27. Foreign Exchange Earned and Payment:**

During the year under audit the Company has not earned or made payment any amount in Foreign Currency.

**28. Payment/Perquisites to Director and Officers**

- i) No compensation was allowed by the company to Directors of the company other than Directors' Remuneration as reported in Note-21.
- ii) No amount of money was expended by the company for compensating any member of the board for special services rendered.
- iii) Board meeting attendance fee was paid to the directors of the company.

**29. Capital Expenditure Commitment**

There was no Capital Expenditure Commitment as on 30 June 2011.

**30. Contingent Liabilities**

There may arise some contingent liability for tax assessments pending with the High Court and other levels.

**31. Claim Not Acknowledged**

There was no claim against the company as on 30 June 2011.

**32. Commission, Brokerage or Discount against Service**

No commission, Brokerage or discount was allowed or incurred or paid during the year under review except which mentioned in note-21.

**33. Credit Facility Not Availed**

There are no credit facilities available to the company under any contracts other than trade credit available in the ordinary course of business at the balance sheet date.

**34. Subsequent Events-Disclosures under IAS 10 "Events after the Balance Sheet Date"**

**Proposed Dividend:**

Subsequent to the statement of financial position date, the Board of Directors in their meeting held on October 31, 2011 recommended 4% Stock (04 Shares per 100 shares) and 6% cash totaling 10% dividend on existing shares held at record date for the year ended June 30, 2011. Thus, total amount of cash and stock dividends is Tk 47,992,560/-. The dividend proposal is subject to shareholders' approval at the forthcoming 14th AGM.

Except the fact stated above, no circumstances have arisen since the statement of financial position date which would require adjustment to, or disclosure in, the financial statements or notes thereto.

**35. Miscellaneous**

No individual expenses include under miscellaneous expenses, which exceed 1 percent of the total revenue of the company or Tk. 5,000.00, whichever is higher.

**36. Special Reports as per Companies Act, 1994**

(a) 134 (One hundred thirty four ) employees engaged in the Company who received a total remuneration over Taka 36,000/- per year and 1 (one) employees drawing yearly remuneration below Taka 36,000/-

(b) There was no non-resident Bangladeshi shareholder during the year under audit.

  
Md. Monir Hossain  
Company Secretary

  
Md. Sabur Khan  
Managing Director

  
Mrs. Shahana Khan  
Chairman

**Daffodil Computers Limited**  
**Schedule of Fixed Assets**  
**As on 30 June 2011**

Particulars	COST			DEPRECIATION			W.D.V as on 30.06.11			
	Opening as on 01.07.10	Addition During the yr.	Sales/ Adjustment	Total as on 30.06.11	Rate	Opening as on 01.07.10		Charged During the yr.	Sales/ Adjustment	Total as on 30.06.11
Leasehold Property	518,477	-	-	518,477	0%	-	-	-	-	518,477
Land	93,750,000	-	-	93,750,000	0%	-	-	-	-	93,750,000
Generator	510,000	61,700	-	571,700	15%	181,465	58,535	-	240,000	331,700
Furniture & Fixture	10,242,944	2,990,585	-	13,233,529	10%	5,740,618	749,291	-	6,489,909	6,743,620
Air cooling System	7,040,855	345,285	-	7,386,140	15%	4,531,216	428,239	-	4,959,455	2,426,685
Computer Set up in Office	7,136,115	286,785	-	7,422,900	15%	5,388,654	305,137	-	5,693,791	1,729,109
Office Equipment	2,235,143	584,126	-	2,819,269	15%	1,526,116	193,973	-	1,720,089	1,099,180
Vehicles	1,773,760	-	-	1,773,760	15%	1,468,128	45,845	-	1,513,973	259,787
Telephone & PABX	686,100	-	-	686,100	15%	540,771	21,799	-	562,571	123,529
Office Decoration	20,746,566	162,170	-	20,908,736	10%	12,180,344	872,839	-	13,053,184	7,855,552
Video Overhead Projector	380,000	-	-	380,000	15%	297,545	12,368	-	309,913	70,087
Water purifying Machine	62,000	-	-	62,000	15%	51,761	1,536	-	53,297	8,703
Stabilizer Making Plant	2,468,282	-	-	2,468,282	10%	1,311,836	115,645	-	1,427,481	1,040,801
Daffodil PC Assembling Plant	13,720,130	-	-	13,720,130	10%	6,428,691	729,144	-	7,157,835	6,562,295
Sales Centre Establishment	10,214,134	-	-	10,214,134	10%	4,391,883	582,225	-	4,974,108	5,240,026
Call Centre	5,083,920	-	-	5,083,920	10%	2,382,116	270,180	-	2,652,297	2,431,623
Library	1,020,000	1,026,500	-	2,046,500	15%	393,593	247,936	-	641,529	1,404,971
Campus Decoration	3,065,000	1,205,380	-	4,270,380	10%	830,615	343,977	-	1,174,592	3,095,789
Lab Equipment	3,911,793	1,802,275	-	5,714,068	15%	1,430,306	642,564	-	2,072,870	3,641,198
TOTAL TAKA (30.06.11)	184,565,219	8,464,806	-	193,030,025		49,075,657	5,621,233	-	54,696,890	138,333,135
<b>TOTAL TAKA (30.06.10)</b>	<b>123,943,773</b>	<b>60,621,446</b>	<b>-</b>	<b>184,565,219</b>		<b>43,910,817</b>	<b>5,164,840</b>	<b>-</b>	<b>49,075,657</b>	<b>135,489,562</b>

**Daffodil Computers Limited**

Registered Office 64/3, Lake Circus, Kalabagan, Dhanmondi, Dhaka-1205.

**Proxy Form**

Stamp

I/We.....  
of.....

being a Shareholders of Daffodil Computers Limited do hereby appoint

Mr./Ms.....  
of.....

as my/our proxy, to attend and vote for me/us and on my/our behalf at the 14th Annual General Meeting of the Company to be held on 29 December 2011 and at any adjournment thereof to at any ballot to be taken in consequence thereof.

As witness my/our hand this.....day of.....

Signature of Proxy : ..... Signature of Shareholders: .....

Folio/ BO. No : ..... Folio/ BO. No : .....

**Important**

1. The Proxy Form duly completed, must be deposited at least 48 hours before the meeting at the Company's Registered office. Proxy is invalid if not signed and stamped as explained above.
2. Signature of the shareholder should agree with Specimen signature registered with the Company

**Daffodil Computers Limited**

Registered Office 64/3, Lake Circus, Kalabagan, Dhanmondi, Dhaka-1205.

**Attendance Slip**

I do hereby record my attendance at the 14th Annual General Meeting of the Company being held on 29 December 2011 at 10:30 A.M. at DIU Auditorium (4th Floor), 4/2 Prince Plaza, Sobhanbag, Dhanmondi, Dhaka-1207

Name of the Shareholder/Proxy : .....

Folio/BO. No.....

No. Shares.....

.....  
Signature

Date : .....

**N.B. :**

1. Shareholders attending the meeting in person or by proxy are requested to complete this Slip.
2. Signature of Shareholders should confirm to the specimen recorded with the company
3. Please bring this attendance slip with you. Admission into the meeting place will not be allowed without this.