

# Cash Flow Statement

for the year ended 30 June 2009

	Note	2009 (Rupees '000)	2008
<b>Cash flows from operating activities</b>			
Profit before taxation		80,927,923	78,307,404
Adjustments for:			
Depreciation		3,306,407	3,129,882
Amortization of development and production assets		6,208,403	4,961,145
Royalty		15,155,667	17,320,187
Workers' profit participation fund		4,259,364	4,387,411
Provision for employee benefits		1,712,815	759,409
Un-winding of discount on provision for decommissioning cost		911,683	527,695
Interest income		(1,775,671)	(2,653,859)
Un-realized loss on investments at fair value through profit or loss		115,778	42,225
Dividend income		(29,512)	(28,150)
Fixed assets reconciliation adjustment		-	59,094
Gain on disposal of property, plant and equipment		(160,737)	(114,615)
Interest income on long term receivables		(36,861)	(54,789)
Provision for obsolete and slow moving inventory		251,868	319,283
Share of profit in associated company		(57,503)	(44,680)
Trade debts written off		-	1,445
Stores inventory written off		298,930	-
Provision for doubtful advances reversed		(2,416)	(9,864)
Provision for doubtful debts		3,173	-
		<b>111,089,311</b>	<b>106,909,223</b>
<b>Working capital changes</b>			
(Increase)/decrease in current assets:			
Stores, spare parts and loose tools		(1,400,054)	(3,010,044)
Stock in trade		43,481	(57,994)
Trade debts		(15,437,966)	(12,688,599)
Deposits and short term prepayments		259,544	(386,035)
Advances and other receivables		(120,165)	(435,009)
Increase/(decrease) in current liabilities:			
Trade and other payables		3,683,603	2,188,473
<b>Cash generated from operations</b>		<b>98,117,754</b>	<b>92,520,015</b>
Royalty paid		(17,510,087)	(13,112,399)
Employee benefits paid		(1,232,760)	(906,179)
Payments of workers' profit participation fund - net		(4,902,992)	(3,910,117)
Income taxes paid		(21,492,595)	(22,992,422)
		<b>(45,138,434)</b>	<b>(40,921,117)</b>
<b>Net cash from operating activities</b>		<b>52,979,320</b>	<b>51,598,898</b>
<b>Cash flows from investing activities</b>			
Capital expenditure		(25,072,050)	(18,347,224)
Interest received		2,107,850	2,962,831
Dividends received		53,157	52,081
Purchase of investments		(188,183)	(450,000)
Proceeds from encashment of investments		-	50,061
Proceeds from disposal of property, plant and equipment		165,946	214,535
Long term prepayments		23,581	(69,116)
<b>Net cash used in investing activities</b>		<b>(22,909,701)</b>	<b>(15,586,832)</b>
<b>Cash flows from financing activities</b>			
Dividends paid		(39,406,171)	(41,473,422)
<b>Net cash used in financing activities</b>		<b>(39,406,171)</b>	<b>(41,473,422)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(9,336,552)</b>	<b>(5,461,356)</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>18,276,380</b>	<b>23,737,736</b>
<b>Cash and cash equivalents at end of the year</b>	33	<b>8,939,828</b>	<b>18,276,380</b>

The annexed notes 1 to 39 form an integral part of these financial statements.



Chief Executive



Chairman