

Cash Flow Statement


for the year ended 30 June 2010

Note	2010 (Rupees '000)	2009
Cash flows from operating activities		
Profit before taxation	88,552,753	80,927,923
Adjustments for:		
Depreciation	3,323,474	3,306,407
Amortization of development and production assets	6,457,068	6,208,403
Royalty	16,728,843	15,155,667
Workers' Profit Participation Fund	4,660,671	4,259,364
Provision for employee benefits	1,288,012	1,712,815
Un-winding of discount on provision for decommissioning cost	1,263,914	911,683
Interest income	(1,560,848)	(1,775,671)
Un-realized (gain)/loss on investments at fair value through profit or loss	(5,993)	115,778
Dividend income	(14,756)	(29,512)
Gain on disposal of property, plant and equipment	(75,086)	(160,737)
Effect of fair value adjustment of long term receivable	(25,620)	(36,861)
Provision for slow moving, obsolete and in transit stores	414,669	251,868
Provision for doubtful claims	1,050	-
Share of profit in associate	(64,118)	(57,503)
Stores inventory written off	8,206	298,930
Provision for doubtful advances	-	(2,416)
Provision for doubtful debts	82,808	3,173
	121,035,047	111,089,311
Working capital changes		
(Increase)/decrease in current assets:		
Stores, spare parts and loose tools	1,140,426	(1,400,054)
Stock in trade	(63,783)	43,481
Trade debts	(26,935,007)	(15,437,966)
Deposits and short term prepayments	(197,020)	259,544
Advances and other receivables	240,092	(120,165)
(Decrease)/increase in current liabilities:		
Trade and other payables	(1,018,159)	3,683,603
Cash generated from operations	94,201,596	98,117,754
Royalty paid	(5,019,832)	(17,510,087)
Employee benefits paid	(1,305,743)	(1,232,760)
Payments to Workers' Profit Participation Fund - net	(4,459,364)	(4,902,992)
Income taxes paid	(21,910,472)	(21,492,595)
	(32,695,411)	(45,138,434)
Net cash from operating activities	61,506,185	52,979,320
Cash flows from investing activities		
Capital expenditure	(24,211,339)	(25,072,050)
Interest received	1,530,839	2,107,850
Dividends received	67,676	53,157
Purchase of investments	(276,970)	(188,183)
Proceeds from disposal of property, plant and equipment	84,107	165,946
Long term prepayments	(33,580)	23,581
Net cash used in investing activities	(22,839,267)	(22,909,701)
Cash flows from financing activities		
Dividends paid	(28,770,003)	(39,406,171)
Net cash used in financing activities	(28,770,003)	(39,406,171)
Net increase/(decrease) in cash and cash equivalents	9,896,915	(9,336,552)
Cash and cash equivalents at beginning of the year	8,939,828	18,276,380
Cash and cash equivalents at end of the year	33 18,836,743	8,939,828

The annexed notes 1 to 40 form an integral part of these financial statements.



Chief Executive



Chairman