

Notes to Schedule 4 (Page 133)

	Rupees crores	<i>Previous Year Rupees crores</i>
Item 2 Raw materials consumed excludes amounts charged to wages & salaries and other revenue accounts	1,108.73	821.04
Item 4 (a) Stores and spares consumed (including write-off of obsolete spares, if any) exclude cost of stores manufactured departmentally and charged to wages and salaries and other revenue accounts	135.30	95.88
Item 4 (c) Repairs to buildings exclude amounts charged to wages & salaries and other revenue accounts	6.02	4.50
Item 4 (d) Repairs to machinery exclude amounts charged to wages & salaries and other revenue accounts.....	288.80	244.46
Item 4 (l) Commission, discounts and rebates include —		
(1) Commission paid to selling agents.....	15.27	13.97
(2) Consignment agency handling charges	61.43	45.35
(3) Discounts	5.47	2.17
Item 4 (n) Other expenses include —		
(1) Provision for diminution in value of investments	—	0.10
(2) Exchange (Gain)/Loss.....	(47.30)	42.11
(3) Fees and out-of-pocket expenses paid/payable to Auditors :	Rupees	<i>Rupees</i>
(i) For services as Auditors	2,41,00,000	2,41,00,000
(ii) For other services (excluding Rs. 85,50,000 being expenses related to the convertible bonds and GDR issue adjusted against the Securities Premium Account)	92,19,400	85,68,011
(iii) Reimbursement of travelling and out-of-pocket expenses.....	1,10,371	22,23,663
(iv) For Branch Audit.....	2,98,980	2,94,096
(4) Cost Audit Fees [including expenses Rs. 55,897 (2008-09 : Rs. 64,954)].....	1,35,797	1,21,244
Managerial Remuneration		
Managerial Remuneration for Managing Director, other Whole-time Directors and Non Whole-time Directors	Rupees crores	<i>Rupees crores</i>
(a) Salaries (including Company's contribution to Provident and Superannuation fund).....	1.59	1.06
(b) Commission	5.00	8.50
(c) Perquisites	0.43	0.51
(d) Sitting Fees	0.38	0.33
	7.40	10.40
<i>Note :</i>		
In addition, the Managing Director is entitled to free supply of water and use of medical facilities at the Company's hospital at Jamshedpur. The above figures do not include contribution to Gratuity Fund, as separate figure is not available for the Managing Director and other Whole time Directors. The above figures do not include the retirement benefits and other remunerations of Rs. 4.61 crore (2008-09 : Rs. 1.24 crores) relating to the former Managing Director and Whole-time Directors and Rs. 1.15 crores (2008-09 : Nil) paid to a Whole time Director relating to the period prior to his becoming a Director.		
COMPUTATION OF NET PROFIT IN ACCORDANCE WITH SECTION 309(5) OF THE COMPANIES ACT, 1956.		
Profit before taxes	Rupees crores	<i>Rupees crores</i>
Profit before taxes	7,214.30	7,315.61
Add — (a) Managerial remuneration	7.40	10.40
(b) Provision for bad & doubtful debts and advances	(16.00)	8.61
(c) Provision for diminution in value of investments	—	0.10
(d) Provision for wealth tax.....	1.00	1.00
	7,206.70	7,335.72
Deduct — (a) Bad debts written off (net of recoveries)	14.34	27.07
(b) Profit on sale/redemption of Investments	885.47	319.73
(c) Capital profit on sale of fixed assets	—	—
	899.81	346.80
Net profit as per Section 309(5)	6,306.89	6,988.92
Commission :	Rupees	<i>Rupees</i>
(a) Whole-time Directors	5,00,00,000	3,50,00,000
(b) Non Whole-time Directors — 1% of the net profits : Rs. 63.07 crores (2008-09 : Rs. 69.89 crores) restricted to	—	5,00,00,000
	5,00,00,000	8,50,00,000