

## Notes to Schedule 4 (Page 153)

	Rupees crores	Previous Year Rupees crores
Item 2 Raw materials consumed excludes amounts charged to wages & salaries and other revenue accounts .....	487.14	412.35
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 .....	95.88	54.62
Item 4 (c) Repairs to buildings exclude amounts charged to wages & salaries and other revenue accounts .....	4.50	3.92
Item 4 (d) Repairs to machinery exclude amounts charged to wages & salaries and other revenue accounts.....	244.46	209.29
Item 4 (l) Commission, discounts and rebates include —		
(1) Commission paid to selling agents.....	13.97	16.37
(2) Consignment agency handling charges .....	45.35	34.92
(3) Discounts .....	2.17	3.18
Item 4 (n) Other expenses include —		
(1) Provision for diminution in value of investments .....	0.10	—
(2) Exchange (Gain)/Loss .....	42.11	(8.86)
(3) Fees and out-of-pocket expenses paid/payable to Auditors :	Rupees	Rupees
(i) For services as Auditors .....	2,41,00,000	1,95,00,000
(ii) For other services (excluding payment of Rs. 52,000 made to a firm in which some of the partners of the audit firm are partners) .....	85,68,011	85,99,063
(iii) Reimbursement of travelling and out-of-pocket expenses.....	22,23,663	18,90,428
(iv) For Branch Audit .....	2,94,096	2,90,800
(4) Cost Audit Fees [including expenses <b>Rs. 64,954</b> (2007-08 : Rs. 25,191)].....	1,21,244	1,09,517
<b>Managerial Remuneration</b>		
Managerial Remuneration for Managing Director, other Whole-time Directors and Non Whole-time Directors	Rupees crores	Rupees crores
(a) Salaries (including Company's contribution to Provident and Superannuation fund) .....	1.06	1.65
(b) Commission .....	8.50	9.55
(c) Perquisites .....	0.51	0.64
(d) Sitting Fees .....	0.33	0.24
	<b>10.40</b>	<b>12.08</b>
<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 retirement benefits of <b>Rs. 0.88</b> crore (2007-08 : Rs. 2.72 crores) relating to eight former directors and retirement benefits of <b>Rs. 0.36</b> crore (2007-08 : Rs. 0.35 crore) paid to a former Managing Director. Previous year includes the remuneration paid to two Whole-time Directors other than the Managing Director.		
COMPUTATION OF NET PROFIT IN ACCORDANCE WITH SECTION 309(5) OF THE COMPANIES ACT, 1956.		
Profit before taxes .....	7,315.61	7,066.36
Add — (a) Managerial remuneration .....	10.40	12.08
(b) Provision for bad & doubtful debts and advances .....	8.61	12.16
(c) Provision for diminution in value of investments .....	0.10	—
(d) Provision for wealth tax .....	1.00	0.95
	<b>7,335.72</b>	<b>7,091.55</b>
Deduct — (a) Bad debts written off (net of recoveries) .....	27.07	6.20
(b) Profit on sale/redemption of Investments .....	319.73	9.98
(c) Capital profit on sale of fixed assets .....	—	0.51
	<b>346.80</b>	<b>16.69</b>
Net profit as per Section 309(5) .....	<b>6,988.92</b>	<b>7,074.86</b>
Commission :	Rupees	Rupees
(a) Whole-time Directors .....	3,50,00,000	4,55,00,000
(b) Non Whole-time Directors — 1% of the net profits : <b>Rs. 69.89</b> crores (2007-08 : Rs. 70.75 crores) restricted to .....	5,00,00,000	5,00,00,000
	<b>8,50,00,000</b>	<b>9,55,00,000</b>