

BOARD OF DIRECTORS

Mr. P. L. Patel Chairman
Mr. V. L. Patel Managing Director
Mr. J. P. Patel Executive Director
Mr. S. V. Patel Director Commercial
Mr. D. B. Kasad Director
Mr. S. U. Koshti Director
Mr. M. P. Kulkarni Director
Mr. S. U. Joshi Director
Mr. C. P. Shah Director
(Upto 31.03.2008)
Mr. J. G. Awate Director

COMPANY SECRETARY

Abhijit Barje

AUDITORS

M/s. Parag Patwa & Associates,
Chartered Accountants,
Pune

BANKERS

Cosmos Co-op Bank Ltd
Indian Overseas Bank
Oriental Bank of Commerce
Corporation Bank
ICICI Bank Limited
Central Bank of India
HDFC Bank Limited

REGISTERED OFFICE

'Swastik House' 39/D, Gultekadi,
Jawaharlal Nehru Road, Pune 411037
Phone No. (020) – 26444625/26/27
Fax No. (020) – 2645 8888

Registrar & Share Transfer Agent

M/S Sharex Dynamic (India) Pvt. Ltd.
Unit 1, Luthra Industrial Premises,
Safed Pool, Andheri (E)
Mumbai - 400 072
Phone No (022) – 28515606/44
Fax No (022) -28512885

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WEBSITE: www.silworld.in

FACTORY

Chinchwad
Plot No. 39, 44, 46 to 49
Block No. D III,
MIDC, Chinchwad,
Pune - 411 019

Kedgaon
Gat No.322/323,
Village Kedgaon,
Taluka: Daund,
District: Pune.

Tamilnadu
Plot No. KK2(N) & KK2(S), SIPCOT Industrial
Growth Centre, Perundurai – 638052. Erode
district, Tamilnadu

Sahyadri Industries Limited

NOTICE

Notice is hereby given that the 14th Annual General Meeting of the Members of the Company will be held on Wednesday, September 10, 2008 at 3.30 p.m. at Plot No.39, Block No. D-III, MIDC, Chinchwad, Pune - 411 019 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2008 and the Profit & Loss Account for the year ended on that date along with the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. P. L. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. V. L. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors of the Company.

On Behalf of the Board of Directors

Place: Pune
Date: 07.07.2008

P. L. Patel	V.L. Patel
Chairman	Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. DULY FILLED AND SIGNED PROXY FORMS, IN ORDER TO BE EFFECTIVE SHOULD REACH THE COMPANY AT LEAST 48 HOURS BEFORE THE ANNUAL GENERAL MEETING.
2. Members/ Proxies should bring their duly filled up Attendance Slips at the meeting.
3. The Register of members and transfer books of the Company shall remain closed from September 5, 2008 to September 10, 2008 (both dates inclusive) for recording transfers/for preparation of the list of members for payment of final dividend, if approved at the Annual General Meeting.
4. Members are requested to communicate change in address, if any, immediately to the R & T Agent. Shareholders holding shares in dematerialized form shall inform any change in their details to their respective Depository Participant only.
5. Any query on accounts or any matter as mentioned in this notice can be sent in writing to the Company at least 10 days before the Annual General Meeting.
6. Members are requested to bring their copy of Annual Report at the meeting, as the same may not be distributed again at the meeting venue.

ITEMS REQUIRING EXPLANATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

Item No. 3 and 4 of the Notice:

It is proposed to re-appoint Mr. P. L. Patel and Mr. V. L. Patel, Directors of the Company who are retiring this year and being eligible have offered themselves for re-appointment.

A) Mr. P. L. Patel

He is the Chairman of the Company since 1994. He is an industrialist and has over 40 years of experience in fiber & cement industry. He is a director of the Company for past 14 years. He does not hold any directorship or committee membership in any other public limited company.

B) Mr. V. L. Patel

He is the Managing Director of the Company since 1994. He is an industrialist and has over 36 years of experience in fiber & cement industry. He is a director of the Company for past 14 years. He does not hold any directorship or committee membership in any other public limited company.

On Behalf of the Board of Directors

Place: Pune
Date: 07.07.2008

P. L. Patel
Chairman

V.L. Patel
Managing Director

Sahyadri Industries Limited

DIRECTORS' REPORT

The Shareholders,

The directors present their 14th Annual Report and audited statements on accounts for the year ended 31st March, 2008.

FINANCIAL RESULTS

The comparative financial results with respect to the previous year are: -

Rs. In Lakhs

Particulars	2007-08	2006-07
Sales and other income	21797.41	16884.47
Profit Before Interest & Depreciation	3108.49	2367.77
Interest	1070.38	866.45
Depreciation	1041.05	829.75
Profit Before Tax	986.70	671.57
Adjustment Pertaining to Earlier Year	0.00	0.01
Provision for Taxation including Deferred Tax	320.32	288.07
Profit After Tax	666.38	383.51
Extraordinary items	4.52	0.00
Net Profit	670.90	383.51
Dividend (including Dividend Distribution Tax)	111.86	111.86
Transfer to General Reserve	100.00	19.24
Profit carried forward to Balance Sheet	459.04	252.39

PERFORMANCE OF THE COMPANY:

Your Company achieved sales of Rs. 21797.41 Lakhs (previous year Rs. 16884.74 Lakhs) resulting in increase in sales over 29% over the previous year. The profit before tax for the year under review stood at Rs. 986.70 Lakhs as compared to Rs. 671.57 Lakhs of the previous year after providing depreciation.

DIVIDEND

The directors recommend for consideration of the shareholders at the ensuing annual general meeting, payment of dividend of Re. 1 per share (10 per cent) for the year ended March 31, 2008. The amount of dividend and the tax thereon aggregates to Rs. 111.86 Lakhs which shall be borne by the company.

DIRECTORS

Mr. Chirag P Shah resigned from the board with effect from 1 April 2008. The Board places on record its sincere appreciation for the services rendered by him towards the success of the Company. Mr. D. B. Kasad resigned as a Whole Time Director of the Company with effect from 1 April 2008. However he continues to be the Non Executive Director of the Company.

Mr. P. L. Patel and Mr. V. L Patel retire from the board by rotation and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under sub section 2AA of Section 217 of the Companies Act, 1956 with respect to the Directors Responsibility Statement, it is hereby confirmed:

- i) that in the preparation of the Annual accounts for the financial year ended 31.03.2008, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit/ Loss of the Company for that period;
- iii) that the Directors had taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) that the Directors had prepared the annual accounts for the financial year ended on 31.03.2008 on a going concern basis.

AUDITORS

M/s Parag Patwa & Associates, Chartered Accountants, Auditors of the Company, retire and being eligible, offer themselves for re-appointment as Auditors.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement with Stock Exchange, a separate section titled Corporate Governance Report has been included in this annual report, along with the reports on management Discussion & Analysis and Additional Shareholder Information.

All board members and senior management personnel have affirmed compliance with the code of conduct for the year 2007-08.

EMPLOYEES

The Company has no employee whose particulars are required to be disclosed pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details about conservation of energy, technology absorption, foreign exchange earning and outgo as required by section 217 (1) (e) of the Companies Act, 1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are as given below.

CONSERVATION OF ENERGY

FORM A

CONSERVATION OF ENERGY: NOT APPLICABLE

FORM B

A) RESEARCH AND DEVELOPMENT

1. Specific Areas in which R & D carried out by the company: In respect of the Building Material division, the Company has been experimenting in varying ratio of raw materials for improving quality and reducing cost.

2. Benefits derived as a result of the above: In respect of Building Material, we have explored the possibilities to increase in productivity and reduction in cost.
3. Future Plan of action: Improve the input mix further.
4. Expenditure on R & D: No expenditure exclusively on R & D has been incurred during the year.

B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

No technology has been imported. The in-house technology is continuously upgraded to improve the overall performance of the Company.

C) FOREIGN EXCHANGE EARNINGS & OUT GO

- Foreign Exchange Earned Rs. 19,812,600/-
- Foreign Exchange Outgo Rs. 397,817,415/-

ACKNOWLEDGEMENT

Your Directors express their sincere thanks to the Bankers, Dealers, and Suppliers for the support and co-operation extended to the Company. Your Directors would further like to record their appreciation of the efforts of every employee for the results achieved during the year.

On behalf of the Board of Directors

Place: Pune
Date: 07.07.2008

P. L. Patel V. L. Patel
Chairman Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

The growth of fibre cement sheet industry is continued during the year. There are additional capacities sharing in the market. However, your company maintains its position and keeping pace with the growth.

Product of the Company i.e. Fibre Cement sheets are mainly used in the housing which is the basic need of the human being and as such it will have a continuous consumption and demand. Fibre Cement Sheets are user friendly on account of its affordable cost, prolong life span, corrosion resistance and fire proof in nature.

OPPORTUNITIES AND THREATS

The product has ever increasing demand in the rural sector. The monsoon is expected to be at average level, over all economic growth is also being seen, farmers loan waiver will also give further boost to the rural economy leading to upward revision in the demand. Slow down in Industrial activities in general and acute competition due to additional capacities may put price pressure, eroding margins on company's products.

Manufacturer and sale of fibre cement sheets is the main source of revenue of your Company. Fibre cement sheets are pre-dominantly used for roofing of Industrial Sheds, Ware housing and residential uses. It is the most and cost effective roofing material available in the market. Your Company enjoys its strong brand image with the name of SWASTIK. Your company is always keeping pace with market requirement.

RISKS AND CONCERN

Inputs cost is continuously increasing which include one of the major raw material cement. Trend of increase in the rupee value against US Dollar is also changed its direction. Increase in the Oil price will further make a transport costly. It shall have the adverse effect on margins.

The malafide campaign against Asbestos Products is not yet totally arrested. Such campaign continued giving erroneous information to the general public. However, such malafide anti campaign is being kept under control by the industry association by making their best efforts to bring the real situation before the public at large.

FINANCIAL PERFORMANCE

Company had achieved its targeted sale. However, there has been a price pressure through out the period. All efforts are made to keep expenses under control; Company is expecting better results in the coming years.

WIND POWER GENERATION

Company is also in the activity of generation of non-conventional Wind Power. Out of proposed project of 6 windmills, only two windmills were commissioned in last year i. e. year ending on 31st March 2007, commissioning of balance four machines was abnormally delayed due to local agitation. The order for these four machines was withdrawn. During period from June, 2007 to December, 2007 this project could not generate the power due to local agitation. The agitation was settled by developer and since then the project is continuously generating power. Power generated is being sold to State utility at predetermined rate.

Company has two windmills with a total capacity of 2.5 MW at Village Biranwadi, Dist. Sangli, Maharashtra, commissioned during March 2006 and eight windmills with a total capacity of 4.8 MW at Village Chalkewadi, Tal & Dist. Satara, Maharashtra. Power Generation at Biranwadi plant is not

commensurate with the capacity and there have repeated interruptions in power generation due to local agitations. Company decided to dispose off these machines located at Village Biranwadi.

CARBON CREDIT

In the process of Wind Power generation the Company also generate carbon Emission reduction unit which may be negotiated for price in international market under Clean Development Mechanism, subject to completing formalities and obtaining Certificate of Carbon Emission Reduction as per Kyoto Protocol. In addition Company has also explored possibilities of negotiating voluntary emission in the reduction in respect of company's some of the wind power project. During the year under report company has received revenue against such voluntary Emission.

BANKS AND FINANCIAL INSTITUTIONS

Your Company is getting excellent co-operation from all its bankers and financial institutions. The bankers have also placed faith in the Company by sanctioning fresh term loans and additional capital facilities. Your Company is also prompt in repayment of its dues. The Board of Directors appreciates the wholehearted support and encouragement extended by the banks.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate internal control system and management information systems which are focused towards achieving efficiency in operations, optimum utilization of resources, safeguarding of assets and compliance with the applicable laws, rules, regulations and policies.

Your Company's operations are audited by a team of qualified internal auditors at Head Office level as well as depots level. The adequacy and effectiveness of the internal control, as well as compliance with laid down systems and policies are reviewed by the management regularly and same are comprehensively evaluated and monitored by the internal auditors. The audit committee reviews the audit systems and internal controls on a regular basis.

HUMAN RESOURCES

The relations between the employees and the management continued to be cordial during the year under review. The Company is always keen to improve the efficiency and competency of its labour force. Your company considers human resource to be an important valuable asset for the organization and therefore constantly strives to attract and recruit the best talents for the current and future needs. The Directors of the Company wish to place on record their appreciation for the hard work and dedication of its employees at all levels.

CAUTIONARY STATEMENT

It may be noted that the statements in the Management Discussion and Analysis Report describing the Company's objectives and predictions may be forward looking within the meaning of applicable rules and regulations. Actual results may differ materially from those either expressed or implied in the statement depending on circumstances.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Sound governance practices and responsible corporate behaviour contribute to superior long term performance of companies. Best practices on governance issues are an evolutionary and continuing process. Corporate governance practice embodies the dual goals of protecting the interests of all shareholders while respecting the duty of the board and senior management to oversee the affairs of a company, ensure accountability and promote long term growth and profitability.

Corporate Governance is an integral part of values, ethics and the business practices followed by the company. The core values of the company are:

- Commitment to excellence and customer satisfaction
- Maximizing long term shareholders' value.

BOARD OF DIRECTORS

Presently the Company's Board consists of 9 members of which 5 are Non Executive Directors out of that 4 are Independent Directors.

Director	Category	No. of Board Meetings attended during 2007-08	Whether last AGM attended	No. of committee positions held in other public limited companies
Mr. P. L. Patel	Chairman	7	Yes	Nil
Mr. V. L. Patel	Managing Director	6	Yes	Nil
Mr. J. P. Patel	Executive director	7	Yes	Nil
Mr. S. V. Patel	Director Commercial	6	Yes	Nil
Mr. D. B. Kasad*	Non-Executive Director	3	Yes	Nil
Mr. S. U. Koshti	Non-Executive Independent	2	No	Nil
Mr. M. P. Kulkarni	Non-Executive Independent	6	Yes	Nil
Mr. S. U. Joshi	Non-Executive Independent	7	Yes	Nil
Mr. Jaykumar Awate	Non-Executive Independent	6	Yes	Nil
Mr. C. P. Shah**	Non-Executive Independent	4	Yes	Nil

* Retired from Whole Time Directorship from April 1, 2008 and continued as a Non Executive Director.

** Resigned from April 1, 2008

DATE AND NUMBER OF BOARD MEETINGS HELD

The board meets at least once a quarter to review the performance of the Company. Meetings are generally scheduled well in advance and notice of each board meeting is given in writing to each director.

During the year under review, the board met seven times. The meetings were held on May 31, 2007, June 30, 2007, August 11, 2007, September 24, 2007, November 5, 2007, January 16, 2008 and January 31, 2008.

AUDIT COMMITTEE

The Audit Committee comprises three independent directors and is vested with role and powers mentioned in para C & D respectively of Clause 49(II) of the Listing Agreement. The Audit Committee provides direction to the audit function and monitors the quality of internal and statutory audit. The responsibilities of Audit Committee include overseeing the financial reporting process to ensure fairness, sufficiency and credibility of financial statements, recommendation of appointment and removal of statutory auditors and internal auditors and fixation of their remuneration, review of quarterly and annual financial statements before submission to the board, review of adequacy of internal control system and the internal audit function, review of compliance with the inspection and audit reports and reports of statutory auditors, review of statement of significant related party transactions, discussion on the scope of audit with external auditors and examination of reasons for substantial defaults, if any, in payment to shareholders.

During the year under review, committee met six times. The meetings were held on May 31, 2007, June 30, 2007, August 11, 2007, September 24, 2007, November 5, 2007 and January 31, 2008.

The composition of Audit Committee and the details of the meetings attended by the members thereof as follows:

Committee Member	Designation	Category	No. of Meetings held	Meetings attended
Mr. S. U. Koshti	Chairman	Non-Executive Independent	6	2
Mr. M. P. Kulkarni	Member	Non-Executive Independent	6	5
Mr. S. U. Joshi	Member	Non-Executive Independent	6	6

REMUNERATION COMMITTEE

The Remuneration Committee comprises solely independent directors. The members of the committee are Mr. M. P. Kulkarni (Chairman), Mr. S. U. Koshti, Mr. S. U. Joshi. The terms of reference of the committee are to review and recommend remuneration payable to the all Executive Directors of the Company. The details of remuneration paid to all directors for the year 2007-08 are as follows:

Name of director	Relationship with other directors	Salary and Perquisites Rs	Provident Fund Rs	Sitting Fees Rs	Total Rs
Mr. P. L. Patel	Father of J. P. Patel, Brother of V. L. Patel	13,80,000	1,65,600	-	15,45,600
Mr. V. L. Patel	Father of S. V. Patel, Brother of P. L. Patel	13,80,000	1,65,600	-	15,45,600
Mr. J. P. Patel	Son of P. L. Patel	16,80,000	2,01,600	-	18,81,600
Mr. S. V. Patel	Son of V. L. Patel	16,80,000	2,01,600	-	18,81,600
Mr. D. B. Kasad	-	12,79,400	1,02,120	-	13,81,520
Mr. S. U. Koshti	-	-	-	2,400	2,400
Mr. M. P. Kulkarni	-	-	-	7,200	7,200
Mr. S. U. Joshi	-	-	-	8,400	8,400
Mr. J. G. Awate	-	-	-	7,200	7,200
Mr. C. P. Shah	-	-	-	4,800	4,800

INVESTORS' GRIEVANCES COMMITTEE

The Investors' Grievances Committee comprises of Mr. S. U. Joshi (Chairman), Mr. M. P. Kulkarni and Mr. S. U. Koshti (Members). The committee is mandated to oversee share transfers, transmission and review and redress shareholders' complaint. During the year under review, committee met four times. The meetings were held on May 31, 2007, August 11, 2007, November 5, 2007 and January 31, 2008.

Name, designation & address of Compliance Officer: Mr. Abhijit Barje
Company Secretary
Sahyadri Industries Limited
39/D, Swastik House, J. N. Marg,
Gultekadi, Pune - 411037
Phone: (020) 26444625,
Fax: (020) 26458888

Number of shareholder complaints received: 12

Number of complaints not solved to the satisfaction of the shareholders: Nil

Number of share transfer pending as on 31.03.2008: Nil

GENERAL BODY MEETINGS

Date	Time	Special Resolution	Location	AGM/EGM
14.02.2008	3.30 p.m.	Yes	Block D-III, MIDC, Chinchwad, Pune 411019	EGM
24.09.2007	3.30 P.M	No	Block D-III, MIDC, Chinchwad, Pune 411019	AGM
22.09.2006	3.30 P.M.	No	Block D-III, MIDC, Chinchwad, Pune 411019	AGM
19.09.2005	4.00 P.M.	Yes	39/D, Gultekadi, J. N. Marg, Pune 411019	AGM

Details of Special Resolution(s) passed at General Meetings

- i) At EGM held on 14.02.2008 - change in capital clause of Memorandum of Association due to increase in Authorised Capital, issue of equity shares & convertible warrants to specified investors on preferential basis.
- ii) AT AGM held on 19.09.2008 – issue of equity shares to shareholders other than existing shareholders of the company as per scheme of amalgamation with Swastik Roofing Ltd.

No resolutions were passed by postal ballot in the year 2007-08.

DISCLOSURES

- There has been no materially significant related party transactions that may have potential conflict with the interests of company at large.
- There has not been any non compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- Whistle Blower Policy – As per the policy in force, no person irrespective of the status or level is denied access to the Audit Committee.
- Adoption of non mandatory requirements under clause 49 of the Listing Agreement is being reviewed by the Board from time to time.
- Management Discussion and Analysis Report forms part of the Annual Report.

MEANS OF COMMUNICATION

- Quarterly results and annual results: They are published in one English newspaper and one regional language newspaper (Marathi) where the registered office of the Company is situated. They are generally published in Free Press Journal & Navshakti.
- Website: Financial results and other useful information on the company is available on the Company's website www.silworld.in
- The intimation about Board Meetings and General Meetings is given for press release in the leading newspapers.

GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting (AGM)

Date and time: September 10, 2008 at 3.30 p.m.

Venue : Plot No. 39, Block D-III,
MIDC, Chinchwad,
Pune 411019

Financial Calendar

The Company follows April – March as its financial year. The results for every quarter beginning from April are declared in the month following the quarter except for the last quarter, for which the results are declared by June as permitted under the Listing agreement.

Dates of Book Closure

From September 5, 2008 to September 10, 2008(both days inclusive)

Dividend

Board of Directors has recommended payment of dividend of 10% (Re. 1 per share), for the financial year ended March 31, 2008, for approval of the shareholders at the AGM.

Dividend, if declared at the AGM, will be paid within 30 days from the date of AGM.

Listing on Stock Exchange and Stock Code

The Company's shares are listed on the Bombay Stock Exchange Limited.

Stock Code: 532841

ISIN: INE280H01015

Market Price Data BSE

The monthly high and low quotations of shares traded on the Bombay Stock Exchange Limited, Mumbai is as follows:

Month	Stock Market Price on BSE		BSE Sensex		No. of Trades
	High	Low	High	Low	
May 2007	145.00	66.00	14576.37	13554.34	23309
June 2007	75.65	48.00	14683.36	13946.99	1033
July 2007	79.40	51.50	15868.85	14638.88	1018
August 2007	65.60	49.00	15542.40	13779.88	937
September 2007	60.05	48.60	17361.47	15323.05	1124

October 2007	52.60	39.55	20238.16	17144.58	1559
November 2007	50.00	36.10	20204.21	18182.83	2017
December 2007	80.00	43.25	20498.11	18886.40	4296
January 2008	77.35	48.00	21206.77	15332.42	1380
February 2008	52.00	42.10	18895.34	16457.74	386
March 2008	45.50	29.30	17227.56	14677.24	398

Registrar and Transfer Agent

Sharex Dynamic (India) Pvt. Ltd.
Unit No. 1, Luthra Industrial Premises, Safed Pool,
Andheri (E), Mumbai 400072
Phone Nos. (022) 28515606/44, Fax. (022) 28542885
Email: sd_India@rediffmail.com

Share Transfer System

The entire work relating to share transfers, transmissions and dematerializations process of shares is handled by Registrar and Share Transfer Agent. Physical transfers are processed twice a month and demat transfers are processed in every 8 days.

Shareholding Pattern as at March 31, 2008

Category	No. of Shares held	Percentage
Promoters and Promoter Group	8136400	85.10
Banks/Financial Institutions	1000	00.01
Bodies Corporate	262898	02.75
General Public	1146585	11.99
NRIs/OCBs	10390	00.11
Clearing Members	4227	00.04
Total	9561500	100.00

Distribution of Shareholding as at March 31, 2008

No. of Shares	No. of Holders	Percentage	Total shares	Percentage
1 to 100	2570	72.31	235683	02.46
101-200	369	10.38	70015	00.73
201-500	299	08.41	114122	01.19
501-1000	141	03.97	115318	01.21
1001-5000	123	03.46	296166	03.10
5001-10000	20	00.56	138245	01.45
10001-100000	15	00.42	340838	03.56
100001 and above	17	00.48	8251113	86.30
Total	3554	100.00	9561500	100.00

Dematerialization of shares as at March 31, 2008

Categories	Position as on 31.03.2008		Position as on 31.03.2007		Net change during 2007-08	
	No. of shares	% to total shareholding	No. of shares	% to total shareholding	No. of shares	% to total shareholding
Physical	179208	1.87	6706405	70.14	(6527197)	(68.27)
Demat:						
NSDL	9018887	94.33	2499090	26.14	6519797	68.19
CDSL	363405	3.80	356005	3.72	7400	0.08
Sub Total	9382292	98.13	2855095	29.86	6527197	68.27
Total	9561500	100.00	9561500	100.00	-	-

Outstanding GDRs/ADRs, Warrants or any convertible instruments

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at end of March 31, 2008.

Plant Locations

Plant	Location
Chinchwad	Plot No. 39, 44, 46 to 49, Block No. D III, MIDC, Chinchwad, Pune – 411 019
Kedgaon	Gat No.14/15, Village Kedgaon, Taluka: Daund, District: Pune.
Perundurai	Plot No. KK2 (N) & KK2(S), SIPCOT Industrial Growth Centre, Perundurai –638052. Erode district, Tamilnadu

Address for investor correspondence

Sahyadri Industries Limited
 39/D, Swastik House, J. N. Marg,
 Gultekadi, Pune 411037
 Phone: (020) 26444625/26/27
 Fax: (020) 26458888
 Email: abarje@silworld.in

SAHYADRI INDUSTRIES LIMITED
BALANCE SHEET AS AT MARCH 31, 2008

PARTICULARS	SCHEDULE NO.	As On March 31, 2008	As On March 31, 2007
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	95,615,000	95,615,000
Reserves & Surplus	2	312,155,681	256,937,202
Deferred Tax Liability		70,935,194	52,192,911
Loan Funds			
Secured Loans	3	691,455,071	771,360,671
Unsecured Loans	4	185,069,621	293,435,368
Total Funds Employed		1,355,230,567	1,469,541,152
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	1,307,428,030	1,263,498,889
Less : Accumulated Depreciation		599,327,626	497,168,077
Net Block		708,100,404	766,330,812
Capital Work In Progress		258,076	163,710,047
Investments	6	1,454,000	2,462,748
Current Assets, Loans & Advances			
Inventories	7	555,310,492	511,589,904
Sundry Debtors	8	166,468,012	135,544,522
Cash & Bank Balances	9	142,904,056	90,799,952
Loans and Advances	10	120,183,509	162,783,326
		984,866,069	900,717,704
Less : Current Liabilities & Provisions	11	343,566,123	374,534,548
Net Current Assets		641,299,946	526,183,156
Miscellaneous Expenditure (To the extent not written off)	12	3,213,238	4,085,994
Preoperative Expenses		904,903	6,768,395
Total Funds Applied		1,355,230,567	1,469,541,152

As per our report of even date
For Parag Patwa & Associates
Chartered Accountants

On behalf of Board of Directors

(CA P. I. Patwa)
(Mem No. 41529)
Place : Pune
Date : 07th July, 2008

V. L. Patel	P. L. Patel	Abhijit Barje
Managing	Chairman	Company
Director		Secretary

'PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2008

PARTICULARS	SCHEDULE NO.	March 31, 2008	March 31, 2007
INCOME			
Sales	13	2,108,179,074	1,626,005,953
Windmill Operating Income	14	55,579,082	52,777,251
Other Income	15	15,983,056	9,691,996
Increase / (Decrease) in Stock	16	72,757,181	127,851,157
TOTAL		2,252,498,393	1,816,326,357
EXPENDITURE			
Raw Materials & Components Consumed	17	1,103,563,203	860,243,670
Payment to & Provision for Employees	18	80,085,956	68,441,482
Manufacturing, Administration & other Exp.	19	757,281,333	649,771,353
Depreciation		104,104,798	82,975,152
Interest	20	107,038,152	86,645,026
Preliminary Expenses Written Off	21	942,756	1,056,976
Less : Expenditure transferred to Capital accounts/Capital Work in Progress/Revenue Expenditure		(223,375)	(486,472)
TOTAL		2,152,792,823	1,748,647,187
Profit Before Income Tax & Provision for Bad Debts		99,705,570	67,679,170
Provision for Bad & Doubtful Debts		1,036,063	522,198
Provision for Taxation			
a) Income tax For Current year		11,250,000	7,704,000
b) For Deferred Tax		18,742,283	18,362,349
c) For Fringe Benefit Tax		1,980,000	2,600,000
d) For Wealth Tax		59,000	85,000
e) For Previous Year		-	55,871
Profit After Tax		66,638,224	38,349,752
Income Tax For Previous year			
Income /(Expenses) Pertaining to Previous Year		217,416	1,064
Income Tax / wealth Tax pertaining to previous year		235,155	
Dividend on Equity Shares		9,561,500	9,561,500
Provision for Tax on Dividend on Equity Shares		1,624,977	1,624,977
Less : Transfer to General Reserve		10,000,000	1,924,531
NET PROFIT Carried to Balance Sheet		45,904,318	25,239,808
Basic & Diluted Earning per Share		6.97	4.01
Notes to Accounts	22		

As per our report of even date
For Parag Patwa & Associates
Chartered Accountants

On behalf of Board of Directors

(CA P. I. Patwa)
(Mem No. 41529)
Place : Pune
Date : 07th July, 2008

V. L. Patel
Managing
Director

P. L. Patel
Chairman

Abhijit Barje
Company
Secretary

SCHEDULE 1

PARTICULARS	As at March 31, 2008	As at March 31, 2007
SHARE CAPITAL		
Authorised Share Capital 12,000,000 Equity Shares of Rs. 10/- each (PY 11,000,000 Equity shares of Rs. 10 each)	120,000,000	110,000,000
	120,000,000	110,000,000
Issued, Subscribed & Paid Up 95,61,500 Equity Shares of Rs. 10/- each fully paid up & issued at par 1) Includes 60,00,000 shares allotted as fully paid up by way of Bonus Shares. 2) Include 3061500 Equity Shares of Rs. 10/- each issued as fully paid up to the Shareholders of erstwhile Swastik Roofing Ltd. in pursuant to scheme of Amalgamation sanctioned by Mumbai High court. The Shares are issued without consideration being received in cash.	95,615,000	95,615,000
	95,615,000	95,615,000

SCHEDULE 2

PARTICULARS	As at March 31, 2008	As at March 31, 2007
RESERVES & SURPLUS		
Capital Redemption Reserve	37,500,000	37,500,000
General Reserve		
Balance as per last Balance Sheet	32,206,328	30,281,797
Add :- Transfer from Profit & Loss Account	10,000,000	1,924,531
	42,206,328	32,206,328
Profit & Loss A/c		
Balance as per last Balance Sheet	187,230,874	161,991,066
Less :- Gratuity For Earlier Years	685,839	-
Add: - Transferred during the year from profit & Loss A/c	45,904,318	25,239,808
	232,449,353	187,230,874
Total	312,155,681	256,937,202

SCHEDULE 3

PARTICULARS	As at March 31, 2008	As at March 31, 2007
SECURED LOANS		
Term Loans from Banks	321351849	382899655
Working Capital Loans - Cash Credits	370103222	388461016
	691455071	771360671
Term loans are secured by Exclusive first charge on assets financed by /mortgage to / hypothecation in favour of Term lending Bank and personal guarantee of four Directors.		
Working Capital loans are secured by Pari-passu hypothecation charge of Stock of Raw Material, Stock in process, Consumables, Stores, Finished Goods and other current assets and book Debts and personal guarantee of two Directors and in 2 cases by four Directors		

SCHEDULE 4

PARTICULARS	As at March 31, 2008	As at March 31, 2007
UNSECURED LOAN		
From Directors	102,101,495	131,597,968
From Promoter Group	70,033,322	157,487,400
Intercorporate Deposit	12,934,804	4,350,000
	185,069,621	293,435,368

SCHEDULE 5

PARTICULARS	GROSS BLOCK			AS ON	DEPRECIATION				NET BLOCK	AS ON
	AS ON 01.04.07	ADDITIONS DURING THE YEAR	DEDUCTIONS	31.03.08	UP TO 01.04.07	FOR THE YEAR	ON SALE	UPTO 31.03.08	AS ON 31.03.08	AS ON 31.03.07
SHEET ASSETS										
LAND	8,047,024	-		8,047,024	-	0		-	8,047,024	8047024
LEASE HOLD LAND	43,461,434	285,900		43,747,334	1,077,381	544,454		1,621,835	42,125,499	42384053
LAND DEVELOPMENT & FENCING	8,873,209	-		8,873,209	-	-		-	8,873,209	8873209
FACTORY BUILDING	235,729,885	16,914,317		252,644,202	57,708,034	18,400,927		76,108,961	176,535,241	178021851
BUILDING (Other than Factory Building)	33,707,878	11,654,898		45,362,777	2,014,562	1,871,981		3,886,543	41,476,234	31693316
PLANT & MACHINERY	190,242,944	1,978,389		192,221,333	48,712,970	21,874,388		70,587,358	121,633,975	141529974
ELECTRICAL INSTALLATION	26,638,816	-		26,638,816	7,387,479	2,677,860		10,065,338	16,573,478	19251337
COMPUTERS	5,563,543	408,114		5,971,657	3,721,082	865,659	-	4,586,741	1,384,915	1842460
COMPUTER SOFTWARE	241,593	8,340,783		8,582,376	130,857	3,152,499		3,283,356	5,299,019	110736
COMPUTER PERIPHERALS	3,909,190	167,475		4,076,666	573,018	473,817		1,046,835	3,029,832	3336173
FURNITURE	4,979,029	2,247,360		7,226,389	3,021,840	767,034		3,788,874	3,437,515	1957189
VEHICLES	21,938,873	1,687,572	2,383,424	21,243,021	12,060,269	2,719,984	1,945,246	12,835,007	8,408,014	9878604
TEMPLATES, MOULDS & OTHER EQUIPMENTS	112,072,370	476,848		112,549,220	77,344,589	10,490,251		87,834,840	24,714,379	34727781
OFFICE EQUIPMENT	5,102,436	355,907		5,458,343	1,836,228	582,594		2,418,822	3,039,521	3266207
LABORATORY EQUIPMENTS	1,817,490	-		1,817,490	1,148,024	102,629		1,250,653	566,837	669466
ELECTRICAL GENSET	28,652,778	-		28,652,778	6,829,687	3,035,592		9,865,279	18,787,500	21823092
TROLLEYS	844,506	-		844,506	819,557	7,485		827,042	17,464	24949

SCALE MACHINE	1,256,789	-		1,256,789	128,947	156,883		285,830	970,959	1127842
MATERIAL HANDLING EQUIPMENT	43,348,911	1,794,998		45,143,909	8,626,926	5,448,916		14,075,841	31,068,067	34721985
CANTEEN EQUIPMENTS	8,500	-		8,500	4,442	564		5,006	3,494	4058
SUB -TOTAL	776,437,198	46,312,561	2,383,424	820,366,339	233,145,892	73173516	1,945,246	304,374,160	515,992,178	543,291,307
WINDMILL ASSETS										
LAND FOR WINDMILL	5,298,507	-		5,298,507	-	-		-	5,298,507	5298507
WIND ENERGY CONVERTORS	476,449,300	-		476,449,300	261,296,828	30,571,216		291,868,044	184,581,256	215152472
ELE. INSTALLATION (WINDMILL)	5,313,884	-		5,313,884	2,725,358	360,063		3,085,421	2,228,463	2588526
SUB -TOTAL	487,061,691	-	-	487,061,691	264,022,186	30931279	-	294,953,465	192,108,226	223,039,505
TOTAL	1,263,498,889	46,312,561	2,383,424	1,307,428,030	497,168,078	104104795	1,945,246	599,327,626	708,100,404	766,330,812
CAPITAL WORK IN PROGRESS	163,710,046	-	163,451,971	258,076	-	-	-	-	258,076	163,710,047
WIP TOTAL	163,710,046	-		258,076	-	0	-	-	258,076	163,710,047
GRAND TOTAL	1,427,208,936	46,312,561		1,307,686,106	497,168,078	104104795	1,945,246	599,327,626	708,358,480	930,040,859

SCHEDULE 6

PARTICULARS	As at March 31, 2008	As at March 31, 2007
INVESTMENTS		
Quoted - Equity shares (fully paid up)		
21400 Equity Shares of Indian Overseas Bank Ltd. of Rs. 10 each	-	928202
Rajinder Pipes Ltd. 4100 Equity Shares of Rs.10/- each	-	164,000
Vaishnao Cement Co. Ltd. 3000 Equity Shares of Rs.10/- each Quoted Market Values not available	30,000	30,000
Jindal Photo Ltd. 672 Equity Shares of Rs.10/- each	-	126,000
Consolidated Finvest & Holdings Limited 2128 Equity Shares of Rs.10/- each	-	399,000
Less: - Provision for Diminution in value of Investments	30,000	638,454
	0	1,008,748
Unquoted		
710000 Equity Shares of Rs. 20/- each in Cosmos Co-operative Bank Ltd. (valued at cost)	1,420,000	1,420,000
National Saving Certificates	34,000	34,000
	1,454,000	2,462,748

SCHEDULE 7

PARTICULARS	As at March 31, 2008	As at March 31, 2007
I NVENTORIES (As valued, verified and certified by Management)		
Raw Material	80,275,523	130,451,312
Stores , Spares & Wooden Pallets - Valued at Cost	15,675,514	18,155,337
Work-in-Progress - Valued at Cost	421,427	302,419,808
Finished Goods - Valued at cost	421,524,288	46,415,479
Doors (Entasafe & Cemply)/Pipes - Valued at Cost	13,794,721	14,147,968
Promotional Material - Valued at Cost	137,531	-
Material In Transit - Raw Material	23,481,487	-
	555,310,492	511,589,904

SCHEDULE 8

PARTICULARS	As at March 31, 2008	As at March 31, 2007
SUNDRY DEBTORS Unsecured and Considered Good		
Debts Outstanding for a period exceeding six months	46,455,221	14,311,027
Other Debts	125,079,247	125,263,888
	171,534,467	139,574,915
Less : Reserve for Bad Debts	5,066,456	4,030,393
	166,468,012	135,544,522

SCHEDULE 9

PARTICULARS	As at March 31, 2008	As at March 31, 2007
CASH & BANK BALANCES		
Cash in Hand	6,358,738	3,842,606
Cheques in Transit	49,966,534	1,900,000
Balances with scheduled Banks		
In Current Accounts	33,519,790	17,103,022
In Deposit Accounts	53,058,994	67,954,324
	142,904,056	90,799,952

SCHEDULE 10

PARTICULARS	As at March 31, 2008	As at March 31, 2007
LOANS & ADVANCES Unsecured and Considered Good		
Advances to Suppliers	15,888,785	21,129,247
Other Deposits, Advances & Receivables	97,197,564	126,759,284
Imprest Balances with Employees	1,355,070	638,674
Interest Accrued on Deposits	2,537,623	8,224,069
Advance Income Tax (Net of Provisions if any)	3,204,466	6,032,052
	120,183,509	162,783,326

SCHEDULE 11

PARTICULARS	As at March 31, 2008	As at March 31, 2007
CURRENT LIABILITIES		
Current Liabilities		
Sundry Creditors	171,593,245	252,071,339
Advances from Customers	39,659,178	21,544,879
Outstanding Liabilities	64,175,018	51,973,378
Deposit from Stockiest / Dealers	45,410,709	35,194,556
Other Current Liabilities	10,260,609	959,394
Unclaimed Dividend	752,901	758,976
Sub - Total (A)	331,851,660	362,502,522
Provisions		
Provision for Income Tax on Dividend	1,624,977	1,624,977
Provision for Proposed Dividend	9,561,500	9,561,500
Provision for Fringe Benefit Tax (Net of Advance Tax paid if any)	464,597	760,549
Provision for Wealth Tax (Net of Advance Tax paid if any)	63,389	85,000
Sub - Total (B)	11,714,463	12,032,026
(A) + (B)	343,566,123	374,534,548

SCHEDULE 12

PARTICULARS	As at March 31, 2008	As at March 31, 2007
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)		
Preliminary Expenses	3,213,238	4,085,994
	3,213,238	4,085,994

Schedules attached to and forming part of the Profit & Loss Account for the year ended as on 31.03.2008

SCHEDULE 13

PARTICULARS	Year ending March 31, 2008	Year ending March 31, 2007
SALES		
Sale of Asbestos Sheets & Accessories	2,136,555,639	1,654,283,502
Sale of Fibre	2,224,500	-
Sales Cemply Doors	-	132,583
Sales Steel Doors	30,454,455	17,964,900
Others	704,101	64,022
	2,169,938,696	1,672,445,007
Less : -Excise Duty	61,759,621	46,439,054
	2,108,179,074	1,626,005,953

SCHEDULE 14

PARTICULARS	Year ending March 31, 2008	Year ending March 31, 2007
Operating Income	55,579,082	52,777,251
Income from Windmill	55,579,082	52,777,251

SCHEDULE 15

PARTICULARS	Year ending March 31, 2008	Year ending March 31, 2007
Other Income		
Interest from Banks(TDS Rs.1095843/- Previous year Rs.979974/-)	4,455,853	4,768,083
Dividend	248,936	241,376
Other Income	9,380,910	4,682,537
Profit from sale of investment	1,811,089	-
Profit/(Loss) on sale of Assets	86,267	-
	15,983,056	9,691,996

SCHEDULE 16

PARTICULARS	Year ending March 31, 2008	Year ending March 31, 2007
INCREASE / (DECREASE) IN STOCK		
Opening Stock :		
Work In Progress	302,419,808	196,988,877
Finished Goods	46,415,479	34,678,296
Doors & Frames/Pipes	14,147,968	3,464,925
	362,983,255	235,132,098
Less Closing Stock :		
Work In Progress	421,427	302,419,808
Finished Goods	421,524,288	46,415,479
Doors & Frames/Pipes	13,794,721	14,147,968
	435,740,437	362,983,255
Increase / (Decrease) in Stock	72,757,181	127,851,157

SCHEDULE 17

PARTICULARS	Year ending March 31, 2008	Year ending March 31, 2007
RAW MATERIAL & COMPONENTS CONSUMED		
Opening Stock	130,451,312	155,059,391
Add : Purchases	1,053,387,414	835,635,591
	1,183,838,726	990,694,982
Less : Closing Stock	80,275,523	130,451,312
Consumption	1,103,563,203	860,243,670

SCHEDULE 18

PARTICULARS	Year ending March 31, 2008	Year ending March 31, 2007
PAYMENTS TO & FOR EMPLOYEES		
Salaries , Wages & Bonus	70918124	60417107
Provident Fund & ESI	5501341	4993480
Labour Welfare Fund	38936	28136
Welfare Expenses	2564932	2063379
Gratuity Fund & other Contributions	1062624	939380
	80085956	68441482

SCHEDULE 19

PARTICULARS	Year ending March 31, 2008	Year ending March 31, 2007
MAUFACTURING, ADMINISTRATION, SELLING & OTHER EXP.		
Packing Expenses	9216892	7,330,914
Power & Fuel (Diesel), & Water Charges	68272039	82,440,747
Building Repair & Maintenance	2399332	2,931,939
Machinery & Moulds Maintenance	35706004	23,294,767
Stores & Consumables	72685085	58,135,533
Other Manufacturing Expenses	38686280	33,207,718
Rates & Taxes	1492702	1,778,959
Insurance	2924213	6,564,695
Commission on Sales	18510091	4,362,068
Professional & Consultancy Fees	5863429	2,435,713
Carriage Outward & Forwarding Expenses	230706677	232501713
Printing, Stationery & Advertisement	9876304	23,443,813
Traveling, Conveyance & Vehicle Maintenance	18843380	17,985,484
Postage, Telegram, Telephone & Telex	4691621	4,151,501
Rent	5600644	5,188,522
Bank Charges	13244277	8,919,920
Additional Discounts	24113545	586,184
Breakages & Damages	26267967	10,261,724
Reemission, Bad Debts & Rebate	3194434	708,157
Sales Tax Paid	1322286	1,729,865
Auditors Remuneration	300000	172,750
Miscellaneous Expenses	10128318	11,150,057
Windmill Expenses	568257	1,445,537
Purchase for resale	17127438	19,486,065
Sales Promotion Expenses	2023775	6,365,408
Excise Duty	132581294	81,479,948
Service Tax paid	935049	1,711,652
	757,281,333	649,771,353

SCHEDULE 20

PARTICULARS	Year ending March 31, 2008	Year ending March 31, 2007
INTEREST		
Interest on Term Liabilities	37,060,206	26,084,705
Interest on Working Capital	41,379,055	19,965,849
Other Interest	28,598,890	40,594,472
	107,038,152	86,645,026

SCHEDULE 21

PARTICULARS	Year ending March 31, 2008	Year ending March 31, 2007
PRELIMINARY EXPENSES WRITTEN OFF		
Preliminary Expenses Written Off During the Year	942,756	1,056,976
	942,756	1,056,976

SCHEDULE 22

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 ST MARCH 2008

1. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED :

- a) Basis of Accounting : The accounts are prepared under historical cost convention otherwise stated and in accordance with normally accepted accounting principles.
- b) Fixed Assets: Fixed assets are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of freight, non refundable duties and taxes, incidental expenses if any.
- c) Depreciation: Depreciation has been provided at the rate prescribed under Schedule XIV of the Companies Act, 1956 on written down value method including that of in respect of Windmill Converters.
- d) i) Provision for current income tax is made on the assessable income at the tax rate applicable to the relevant assessment year.
 - ii) Deferred income taxes are recognized for the future tax consequences attributable to timing differences between the financial statement determination of income and their recognition for the tax purpose. The effect on deferred tax assets and liabilities of a change in tax rates is recognized as income using the tax rates and tax laws that have enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.
 - iii) Provision for Fringe Benefit tax has been made in respect of employee benefits & other specific expenses as specified under Income Tax Act, 1961.
 - iv) Minimum alternate tax credit available under section 115JB of the Income Tax will be accounted in the year in which the benefits are claimed.
- e) Retirement and other employees Benefits :
 - i) Retirement benefit in the form of provident fund & super annuation /pension schemes, are defined contributions scheme and are charged to Profit & Loss account of the year when the contributions to the respective funds are due.
 - ii) Gratuity Liability is a defined benefit obligations. The Company has taken an insurance policy under Group Gratuity Scheme with Life Insurance Corporation of India to cover the gratuity liability of the employees and amount paid / payable in respect of present value of liability for past services is charged to Profit & Loss account on the basis of actuarial valuation on the projected unit credit method made at the end of financial year.
 - iii) Long term compensated absences are provided for based on actuarial valuation at the end of the financial year. The actuarial valuation is done as per projected unit credit method.
 - iv) Actuarial gains / losses are immediately taken to Profit & Loss Account and are not deferred.
 - v) Liability for employees leaves encashment amounting to Rs.1837323/- have been provided in the account for the current year.
- f) Investments: Investments are stated at cost of acquisition less any provision for diminution in value.
- g) Foreign Currency Transactions : Foreign Currency transactions are accounted at exchange rates prevailing on the date of transactions. Closing balance of monetary items are translated at closing rates.

- h) Interest on Borrowings: - The interest on working capital borrowed is charged against the profits for the year in which it is incurred. Interest on borrowing for capital asset is capitalised till the date of commencement of commercial use of the asset.
- i) Valuation of Inventory :
- I) Closing stock of Work in Progress & Finished Goods are valued at cost or market price whichever is lower.
- II) In the opinion of the management the value of scrap and rejected material is nil and hence the same is not taken in inventories.
- j) Revenue recognition
- I) Sale: The sale of fibre sheet & products was accounted for net of Sales Tax but including excise duty recovered.
- II) Export incentive receivables are accounted as accrued as and when finally quantified by appropriate authorities.
- III) Debit / Credit arising out of revisions in prices of supplies, breakages and other claims are accounted for in the year of its acceptance.
- IV) Carbon credit entitlement :-
- In process of generation of wind power the company also generate carbon emission reduction units which may be negotiated for price in international market under Clean Development Mechanism(CDM) subject to completing formalities and obtaining certificate of Carbon Emission Reduction(CER)as per Kyoto Protocol. In addition company also explores the possibilities of negotiating Voluntary Emission Reduction (VER) in respect of some of the Company's wind power generation projects. Revenue from CER and VER is accounted on its realisation.
- k) Provisions: A provision is recognised when there is a present obligation as a result of past event. It is probable that an outflow of resources will be required to settle the obligation & in respect of which a reliable estimate can be made. These are reviewed at each Balance sheet date & adjusted to reflect the current best estimates.
- l) No liability has been provided in respect of garlig activities for additional demand likely to be raised by MADHYA PRADESH STATE CO-OPERATIVE MARKETING FEDERATION LTD. and may not be acceptable to the company, and in the case it is made obligatory the liability to be shared by the parties to the business arrangements. Total amount of estimate of liability Rs.31356182/- out of which Company's liability may be Rs.1,88,13,709/-
- m) Debtors, Creditors, Loans & Advances, are subject to confirmation.
- n) Use of Estimates: - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates & assumptions that affect the reported amounts of assets & liabilities at the date of the financial statements and the reported amounts of revenues and the expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.
- o) Impairment of Assets : - The carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss account in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

2. CAPACITY & PRODUCTION:

		Year ended 31st March 2008	Year ended 31st March 2007
Licensed & Installed	Licensed Capacity	Not Applicable	Not Applicable
	Installed Capacity		
	Building Material	437550 M. T.	437550 M. T.
	Windmill	8.90 M/W	8.90 M/W

Installation capacity as certified by management has been relied by the Auditors.

3. RAW MATERIAL AND COMPONENTS CONSUMPTION :

	M. T.	(RS.)	M. T.	(RS.)
Cement	134,922	493,706,542	114,400	331,188,717
Fibre & Others	113,885	609,856,660	98,028	529,054,952
Total	248,807	1103,563,203	212,428	860,243,670

4. PRODUCTION & SALES	Nos.	(RS.)	Nos.	(RS.)
Fibre Sheets				
Opening Stock	2,545,477	348,835,287	1,890,330	231,667,173
Production & Purchase	10,716,054	-	14,632,630	
Net Sales/Other use (Including Salvages/ breakages)	10,480,354	2,108,179,074	13,977,773	1,607,844,448
Closing Stock	2,781,177	421,945,716	2,545,477	348,835,287
Sale of Entasafe Steel Doors	3,460	30,454,455	2,252	17,964,900
Wind Power Generation	13296343 kwh		13684262 kwh	
			Year ended 31st March 2008	Year ended 31st March 2007
5. Expenditure on employees in receipt of remuneration of not less than Rs2,40,0000/- per annum employed for the whole of the year or Rs. 200000/- per month if employed for the part of the year.			NIL	NIL
6. Payment to Auditors				
a) Towards Audit Fees		250,000		142,750
b) Towards Tax Audit		50,000		30,000
c) Towards other services		18,500		19,500
d) Towards service tax		23,639		30,814
Total		342,139		223,064
7. Value of Imports on C.I.F. basis				
Raw Materials		426,729,325		349,736,693
Consumables & Stores		NIL		NIL
Capital Goods		NIL		NIL
Trading items		11,976,429		15,341,403
8. Consumption of Raw Material				
Imported	Rs.	%	Rs.	%
Indigeneous	522,964,453	47.39	455,911,502	53.00
	580,598,750	52.61	404,332,168	47.00
	1,103,563,203	100.00	860,243,670	100.00
9. Remittances in foreign currencies on accounts of Dividend to non – resident share holders.			NIL	NIL
10. Capital Commitments outstanding.			NIL	713,124
11. Contingent Liabilities not provided for :				
a) Bank Guarantees (Including Gurantee In favour of MARKFED Rs. 2,10,00,000/-) Refer Note No.1 (I)		24,518,217		22,191,679
b) Letter of Credit		1,096,006		17,749,760
c) Claims against the company not acknowledged as debts		4,381,094		4,381,094
d) Contingent liability in respect of amount paid to MARKFED shown in Current Assets and for which no bills have been received (Refer Note No.1 (I))		10,356,183		10,356,182
12. Foreign Exchange Earnings on export of goods		19,812,600		24,521,991
Foreign Exchange Outgo on import of goods		397,817,416		358,087,234

13.	Max Bal	o/s Bal	Max. Bal	O/s Bal
Loan from Directors	150,105,968	102,101,495	185,615,968	131,597,968
Loan from Director's Relatives	165,444,373	64,120,957	194,378,400	157,487,400

14. Debts due to concerns in which Directors are interested	Outstanding	Max. o/s	Outstanding	Max. o/s
a) Debts due towards supplies	746,150	4,759,474	4,797,768	6,592,568
b) Towards Intercorporate Deposits	12,934,804	13,955,528	9,600,000	10,600,000

15. Debts due from concerns in which Directors are interested	Outstanding	Max. o/s	Outstanding	Max. o/s
	0	29,474	29,474	29,474

16. Earning per Share (EPS) - The numerator and denominator used to calculate Basic and Diluted Earnings per Share
31st March 2008 31st March 2007

Profit attributable to the Equity Shareholders (Rs.) - A	66,638,236	38,349,752
Basic / Weighted average number of Equity Shares outstanding during the year (B)	9,561,500	9,561,500
Nominal Value of Equity Shares (Rs)	10	10
Basic/ Diluted Earning Per Share (Rs) – A/B	6.97	4.01

17. Segmentwise Revenue/Results & capital employed

Segment Revenue		
a) Segment - Building Material	21,860.85	15,547.05
b) Segment - Power Generation	1,029.42	1,001.42
Sub Total	22,890.27	16,548.47
Less :- Inter Segment Revenue	473.65	473.65
Net sales/Income from operations	22,416.62	16,074.82
Segment Results (Profit) (+)/Loss (-) before tax and interest from each segment		
a) Segment - Building Material	1,480.84	799.82
b) Segment - Power Generation	704.22	738.20
Sub Total	2,185.06	1538.02
Less: i) Interest	1,202.82	866.45
ii) Other un-allocable expenditure net off		
Total Profit Before Tax	982.24	671.57
Capital Employed		
a) Segment - Building Material	3,318.36	2,155.40
b) Segment - Power Generation	727.20	1278.14
Total	4,045.56	3,433.54

Notes :- 1) The Company has two business segments namely Building Material Products & Power Generation by Windmills .
:-2) Segment Revenue include External Sales directly identifiable with segment.
:-3) Intersegment Revenue includes power generation for captive consumption and Sales tax incentive availed by Bldg. Material unit.
:-4) Expenses and assets those are directly identifiable are considered for Segment Reporting.

18. Components of Deferred tax assets /liabilities are as under :	31st March 2008	31st March 2007
Deferred Tax		
Deferred Tax liability on account of :		
a) Depreciation	76,054,074	53,604,112
b) b) Deferred Revenue Expenditure	0	1,580,130
Deferred Tax asset on account of :		
a) Employee Benefits etc.	3,386,594	1,548,658
b) Provision for Bad & Doubtful Debts	1,722,088	1,245,391
c) Provision in Dimunition in Value of investments	10,198	197,282
	-----	-----
	5,118,880	2,991,331
	-----	-----
Net Deferred Tax Liability	70,935,194	52,192,911

19. Disclosure pursuant to Accounting Standard 15 (Revised) Employees Benefits

The Company has adopted revised Accounting Standard 15 " Employees Benefits", issued by the Institute of Chartered Accountants of India, which is effective from 1st April 2007.

As per Accounting Standard 15 "Employees Benefits", the disclosure of employee benefits as defined in the Accounting Standard is given below.

A. Consequent to the adoption & in accordance with the transitional provisions of the Standard, there is an additional liability as on 31st March,2007 based on the Actuarial Report of Rs. 685839/- which has been adjusted against opening balance of Profit & Loss Account.

B. Defined contribution plan

Contribution to the defined contribution plan recognised as expense for the year are as under

Particulars	2007-2008
	Rs.
Employers Contribution to Provident Fund (Including administrative expenses)	4,488,679
Employers Contribution to Super Annuation Fund	76,590

The Provident Fund contributions are contributed to the Regional Provident Fund Commissioner.

The contribution to Super Annuation are managed by Life Insurance Corporation of India.

C Defined Benefit Plan

The Employee Gratuity Fund Scheme & Leave Encashment is defined benefit plan. The present value of the obligation is based on Actuarial Valuation using Projected unit credit method.

PARTICULARS	GRATUITY	LEAVE ENCASHMENT
Expenses to be recognised in Profit & Loss a/c		
Current service cost	902,655	1,215,804
Interest cost	337,815	323,726
Expected return on plan assets	330,770	
Net actuarial losses/(gain)	76,334	297,793
Total Expense	986,034	1,837,232
Reconciliation of opening and closing balance of changes in present value of defined benefit obligation		
Opening defined benefit obligation as on 1-4-2007	4,222,677	4,316,351
Service cost	902,655	1,215,804
Interest cost	337,815	323,726
Actuarial gain/losses	76,334	297,793
Losses/(gains) on curtailment	0	
Liabilities extinguished on settlement	519,786	773,182

Closing defined benefit obligations as on 31-3-2008	5,019,695	5,380,492
Reconciliation of opening and closing balance of changes in fair value of plan assets		
Opening fair value of plan assets as on 1-4-2007	3,536,838	
Expected return on plan assets	330,770	
Contribution by employer	445,904	
Actuarial gain/(losses)	0	
Benefits paid	519,786	
Closing balance of fair value of plan assets as on 31-3-2008	3,793,726	
Net liability recognized in the balance sheet as on 31-3-2008		
Defined benefit obligation as on 31-3-2008	5,019,695	773,182
Fair value of plan assets as on 31-3-2008	3,793,726	0
Present value of unfunded obligation as on 31-3-2008	1,225,969	773,182
Corresponding effect in deferred tax	233,117	
Net impact	452,722	
Actuarial Assumptions		
Discount rate (per annum)	8%	7.5%
Salary increment rate (per annum)	7%	7%
Expected rate of return on assets	9.35%	-

20. As per information available with the Company, none of its creditors comprise small scale industrial undertakings to which the Company owes dues, which are outstanding for more than 30 days as at the Balance Sheet date and none of the creditors comprises Micro, Small & Medium Enterprises which comprise amounts outstanding for more than 45 Days as at the Balance Sheet date. Details of dues to Micro, Small & Medium Enterprises as per Micro Small & Medium Enterprise Development (MSMED) Act, 2006

	31st March 2008	31st March 2007
a) the principal amount & the interest due thereon (to be shown separately) remaining unpaid to any as at the end of each accounting year.	NIL	NIL
b) the amount of interest paid by the buyer in terms of Section 16, of the MSMED Act 2006 alongwith the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
c) the amount of interest due & payable for the period of delay in making payment (which have been paid but the beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	NIL	NIL
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	NIL	NIL

21. Previous years figures have been regrouped and rearranged wherever necessary.

IN TERMS OF OUR REPORT OF EVEN DATE.
FOR PARAG PATWA & ASSOCIATES
CHARTERED ACCOUNTANTS

On behalf of Board of Directors

(CA P. I. Patwa)
(Mem. No. 41529)
Date : 07th July, 2008.
PLACE : PUNE

V. L. Patel P. L. Patel Abhijit Barje
Managing Director Chairman Company Secretary

SAHYADRI INDUSTRIES LTD.

Annexure - Related Party Disclosures { AS- 18 }

List of persons & the relationship with related parties with whom transaction have taken place during the year.

Name of the related party -

I) Associates -

- a) Poonam Roofing Products Pvt. Ltd. (PRPPL) b) Parv Ventures c) JVS Comatsco Industries Pvt. Ltd .
d) Sudarshan Pipes Pvt. Ltd. e) Poonam Tiles d)Mahanagar Constructions

II) Key Management Personnel -

- a) Mr. Vallabhbai L. Patel - Director b) Mr. Purushottambhai L. Patel - Director c) Mr. Jayesh P. Patel - Director
d) Mr. Satyen V. Patel - Director e) Mr. D.B. Kasad

III) Relatives of Key Management Personnel -

- a) Mr. V. V. Patel b) Mr. Chetan P. Patel c) Mrs. B. P. Patel d) Mrs. Parvati Patel e) Mr. J.V. Patel
f) Mrs. Geeta S. Patel g) Mr. V. L. Patel (HUF) h) Mrs. Harsha J. Patel i) Mr. P.L. Patel (HUF)
j) Kalpana Patel k) S.V. Patel (HUF) l)Malvi Patel m) Jigar J. Patel

Transactions during the year with related parties (AS 18)

	Associates	Key Management Personnel	Relatives Of Key Management Personnel	(Amount in Rs.) Total
Unsecured Loan received during the year				
a Opening Balance	4350000	131597968	149232650	285180618
b Taken during the year	11184804.05	36599623	45139570	92923997
c Repaid during the year	2600000	66096096	130251263	198947359
d Closing Balance	12934804.05	102101495	64120957	179157256
Deposits given				
a. Opening Balance	4110000	0	1100000	5210000
b. Refund received	0		0	0
c. Closing Balance	4110000	0	1100000	5210000
Fixed Assets				
a. Purchased during the year (PRPPL)	0	0	0	0
Revenue Items				
Labour Charges (PRPPL)	25007795	0	0	25007795
Lease Charges (PRPPL)	2280000	0	0	2280000
Power & Fuel Expenses (PRPPL)	995917			995917
Trade Mark Fees (PRPPL)	2007654			2007654
Interest				
Receipt From Poonam Roofing Products Pvt Ltd	0	0	0	0
Interest on Unsecured Loan paid during				

the year	552546	11829843	10560654	22943042
Rent paid	37500		396000	433500
Managerial Remuneration paid during the year				
Mr. P. L. Patel		1545600		1545600
Mr. V. L. Patel		1545600		1545600
Mr. J. P. Patel		1881600		1881600
Mr. S. V. Patel		1881600		1881600
Mr. D. B. Kasad		1381520		1381520

Gratuity Contribution :-

The contribution to gratuity funds has been made on a group basis & separate figures applicable to an individual

employee are not available & therefore, contribution to gratuity funds has not been considered in the above computation.

IN TERMS OF OUR REPORT OF EVEN DATE.
FOR PARAG PATWA & ASSOCIATES
CHARTERED ACCOUNTANTS

On behalf of Board of Directors

(CA P. I. Patwa)
(Mem. No. 41529)
Date : 07th July, 2008.
PLACE : PUNE

V. L. Patel
Managing Director

P. L. Patel
Chairman

Abhijit Barje
Company Secretary

SAHYADRI INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2008

A.	CASH FLOW FROM OPERATING ACTIVITIES	Current Year Rupees	Previous Year Rupees
	Net Profit/ (Loss) Before Tax and Extraordinary items	99,705,570	67,679,170
	Adjustment for		
	Depreciation	104,104,798	82,975,152
	Preliminary expenses written off	942,756	1,056,976
	Reserve for Bad & Doubtful Debts	(1,036,063)	(522,198)
	Profit/(Loss) on sale of Assets/ investment	(1,897,357)	-
	Adjustments relating to Earlier Years	217,416	1,064
	Interest paid	107,038,152	86,645,026
	Interest /Dividend Received	(4,704,789)	(5,009,459)
	Operating Profit/(Loss) before Working capital changes	304,370,483	232,825,731
	Adjustments for		
	Trade and other receivables	16,519,215	29,282,138
	Inventories	(43,720,588)	(109,213,456)
	Trade payable & other Payable	(44,943,265)	66,205,629
	Cash generated from operations	232,225,846	219,100,042
	Direct taxes paid	(10,294,182)	(4,807,038)
	Cash flow before extraordinary items		
	NET CASH FROM OPERATING ACTIVITIES	221,931,664	214,293,004
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets(Net of earlier year Capital WIP if any)	(24,460,592)	(445,330,610)
	Orders for Windmill purchase cancelled	147,463,492	-
	Sale of fixed Assets	524,444	-
	Preliminary Expenses	(70,000)	(1,792,359)
	Investments	1,008,748	-
	Profit in sale of Investments	1,811,089	
	Interest/Dividend Received (including accrued if any)	10,391,235	2,170,149
	NET CASH FLOW FROM INVESTING ACTIVITIES	136,668,416	(444,952,819)
C.	NET CASH FROM FINANCING ACTIVITIES		
	Total Secured loans raised during the year	9,759,501,034	653,926,992
	Less :-Total Repayment made during the year	9,839,406,635	419,198,125
	Secured Loans	(79,905,600)	234,728,866
	Total Unsecured loans raised during the year	98,377,761	175,283,000
	Less :-Total Repayment made during the year	206,743,508	122,891,600
	Unsecured Loans	(108,365,747)	52,391,400
	Dividend & Dividend Tax	(11,186,477)	(11,186,477)
	Interest paid	(107,038,152)	(86,645,026)
	NET CASH USED IN FINANCING ACTIVITIES		189,288,763

		(306,495,976)	
D.	NET INCREASE IN CASH & CASH EQUIVALENTS GENERATED	52,104,103	(41,371,052)
	DURING THE YEAR (A) + (B) + (C)		
	Cash and Cash Equivalents Opening Balance	90,799,952	132,171,005
	Cash and Cash Equivalents Closing Balance	142,904,056	90,799,952

IN TERMS OF OUR REPORT OF EVEN DATE.
FOR PARAG PATWA & ASSOCIATES
CHARTERED ACCOUNTANTS

On behalf of Board of Directors

(CA P. I. Patwa)
(Mem. No. 41529)
Date : 07th July, 2008.
PLACE : PUNE

V. L. Patel
Managing Director

P. L. Patel
Chairman

Abhijit Barje
Company Secretary

SAHYADRI INDUSTRIES LIMITED

PART - IV

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I REGISTRATION DETAILS

REGISTRATION NO.	78941	STATE CODE	11
BALANCE SHEET DATE	31.03.2008		

II CAPITAL RAISED DURING THE YEAR (AMOUNT IN THOUSANDS)

PUBLIC ISSUE	NIL	RIGHTS ISSUE	NIL
BONUS ISSUE	NIL	PRIVATE PLACEMENTS	NIL

III POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS (AMOUNT IN THOUSANDS)

TOTAL LIABILITIES	1355231	TOTAL ASSETS	1355231
SOURCES OF FUNDS			
PAID UP CAPITAL	95615	RESERVES & SURPLUS	312156
SECURED LOANS	691455	UNSECURED LOANS	185070
DEFERRED TAX LIABILITY	70935		

APPLICATION OF FUNDS

NET FIXED ASSETS	708358	INVESTMENTS	1454
NET CURRENT ASSETS	641300	MISCELLANEOUS EXP.	3213
ACCUMULATED LOSSES	NIL	PRE-OPERATIVE EXPENSES	905

IV PERFORMANCE OF COMPANY (AMOUNT IN THOUSANDS)

TURNOVER	2108179	TOTAL EXPENDITURE	2154046
PROFIT / LOSS BEFORE TAX	98452	PROFIT / LOSS AFTER TAX	66638
EARNINGS PER SHARE RS	6.97	DIVIDEND RATE %	10

V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY (AS PER MONETARY TERMS)

ITEM CODE NO. (ITC CODE)	681110.00
PRODUCT DESCRIPTION	ASBESTOS CEMENT CORRUGATED SHEETS

IN TERMS OF OUR REPORT OF EVEN DATE,
FOR PARAG PATWA & ASSOCIATES
CHARTERED ACCOUNTANTS

On behalf of Board of Directors

(CA P. I. Patwa)
(Mem. No. 41529)
Date : 07th July, 2008.
PLACE : PUNE

V. L. Patel	P. L. Patel	Abhijit Barje
Managing Director	Chairman	Company Secretary

SAHYADRI INDUSTRIES LIMITED

ATTENDANCE SLIP

FOURTEENTH ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON
SEPTEMBER 10, 2008

Name of the Member / Proxy:
Registered Folio No.
*DP ID No. & Client ID No.
No. of Shares held:

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the FOURTEENTH ANNUAL GENERAL MEETING of the Company at Plot No.39, D III block, MIDC, Chinchwad, Pune- 411019 at 3.30 p.m. on Wednesday, September 10, 2008.

.....
** Member(s)/Proxy signature

** To be signed at the time of handing over the slip.

Note:

- Member/proxy wishing to attend the meeting must complete this Attendance slip and hand it over at the entrance of the meeting hall.
- Members are requested to bring their copy of the Annual report for the meeting.

SAHYADRI INDUSTRIES LIMITED

PROXY FORM

I / We _____ of _____ being member/s of SAHYADRI INDUSTRIES LIMITED, hereby appoint _____ of _____ or failing him _____ of _____ as my / our proxy in my / our absence to attend and vote for me/ us and on my / our behalf at the FOURTEENTH ANNUAL GENERAL MEETING of the Company to be held at 3.30 p.m. on September 10, 2008 and at any adjournment thereof.

Name of the Shareholder:
Signature(s):
Registered Folio No./ * DP ID & Client ID No.....
No. of shares held.....

Affix 1 Re.
Revenue
stamp

Note: In order to be effective proxy form should be duly stamped, completed and signed & must be deposited at the Registered office of the Company at 'Swastik House' 39/D, J. N. Marg, Gultekadi, Pune 411037 not less than 48 hours before the time of the meeting.

* Applicable for investors holding Shares in Electronic Form.