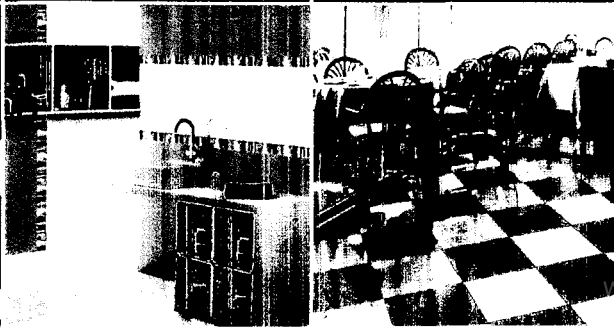
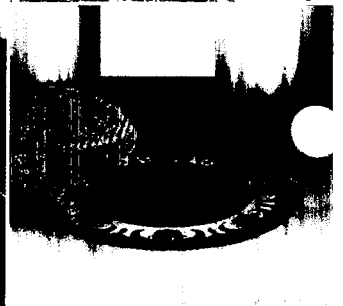
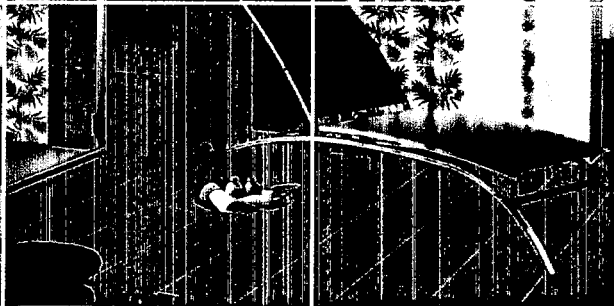
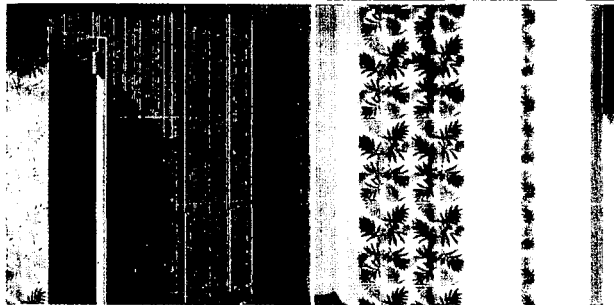
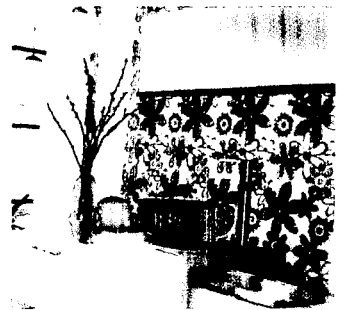


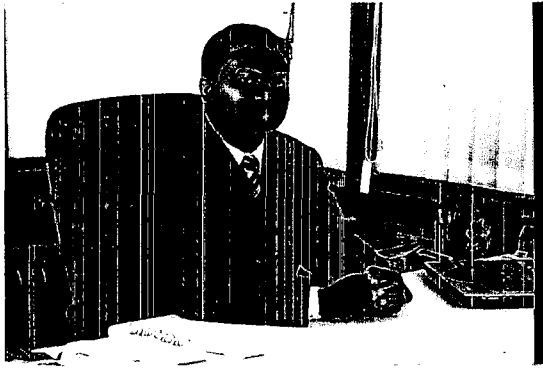


Asian Granito India Ltd.

Annual Report 2007-2008

Report Junction





Chairman's Message

Dear Shareowners,

On behalf of our Company, it gives me great pleasure to share my dream with you. Asian Granito India Ltd. – a dream to beautifying lifestyles. It was a modest beginning when we started our operations in 1994 with a small unit named Kedia Cera at Idar. Today when we look back with 18 depots, strength of 300 dealers & 3000 business associates & 10 Asian World Exclusive company showrooms till date, it gives us a sense of satisfaction and joy that in this journey of beautifying lifestyles, we have surpassed many milestones and we are poised to achieve many more. This has become possible only because of our trustworthy shareholders, satisfied customers, committed employees and millions of people who showed faith in our dreams and helped us to reach to these heights.

Ever since our inception, adherence to quality has always been our benchmark in whatever we do. This important attribute has helped us to reach where we are today. Being the pioneer in the Industry, what stands us class apart is our commitment to innovativeness & advancement. In our mission to reach the zenith of tiles industry we strive to present products that touches the cord of innovation all the time. Same philosophy is followed when it comes to adopting technological advancements. Asian Granito Plants are epitome of avant-garde technical expertise with state of the art equipments & collaboration with world-renowned technology partners assure that as far as high-end quality product is concerned we are always ahead of others.

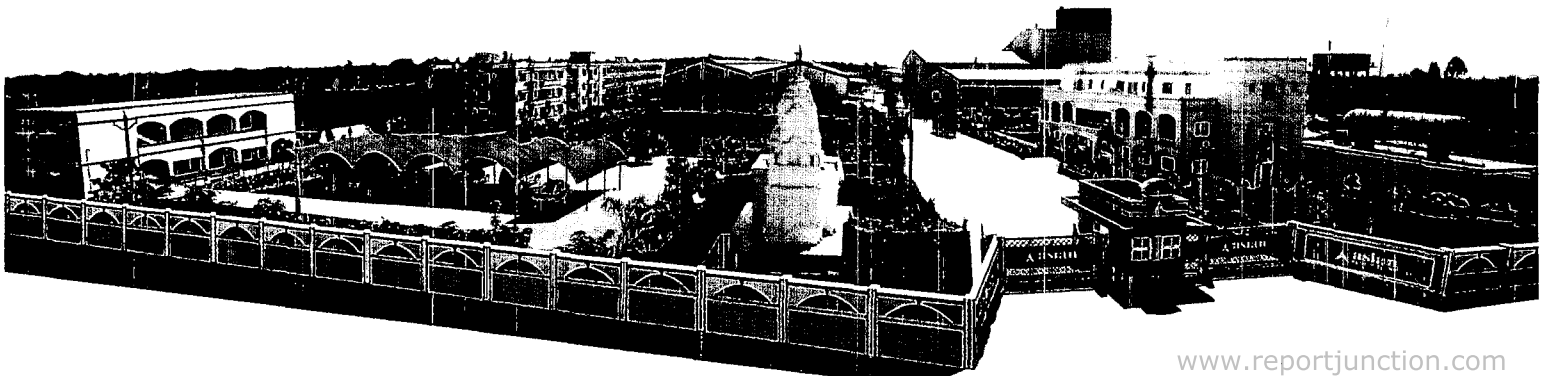
Today, Asian Granito has become synonymous with excellence, innovation & quality..., which has helped us to garner immense faith that our millions of satisfied customers show in us. Success of Asian Granito Public issue is proud testimony of that.

It is our aim that in future also, the flame of innovation fuelled by excellent quality and advancement will burn more brightly and guide us to serve our customers more ardently.

With best wishes

Sincerely,

Kamleshbhai Patel
Chairman





Asian Granito India Ltd.
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CORPORATE INFORMATION

BOARD OF DIRECTORS

Kamleshbhai Patel	<i>Chairman cum Managing Director</i>
Hasmukhbhai Patel	<i>Managing Director</i>
Mukeshbhai Patel	<i>Director</i>
Rameshbhai Patel	<i>Director</i>
Maganlal Prajapati	<i>Director</i>
Maheshchander Julka	<i>Director</i>
Shakaralal Patel	<i>Director</i>
Ajendrakumar Patel	<i>Director</i>

AUDITORS

A.L. Thakkar & Co.
Chartered Accountants
Ahmedabad.

BANKERS

State Bank of India
Commercial Branch,
Ahmedabad.

COMPANY SECRETARY

Vanita Agarwal

REGISTERED OFFICE

202, Devarc, Opp. Iskon Temple,
Sarkhej Gandhinagar Highway,
Ahmedabad - 380015.

AUDIT COMMITTEE

Maganlal Prajapati	<i>Chairman</i>
Mahesh Chander Julka	<i>Member</i>
Hasmukhbhai Patel	<i>Member</i>

WORKS

Ceramic Zone, Katwad Road,
At & Po. Dalpur, Taluka Prantij 383 120,
Dist. Sabarkantha.

REMUNERATION COMMITTEE

Maganlal Prajapati	<i>Chairman</i>
Mahesh Chander Julka	<i>Member</i>
Shakaralal Patel	<i>Member</i>

REGISTRAR & SHARE TRANSFER AGENT

Intime Spectrum Registry Ltd.
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (W), Mumbai- 400 078.

SHAREHOLDERS' GRIEVANCE COMMITTEE

Maganlal Prajapati	<i>Chairman</i>
Mahesh Chander Julka	<i>Member</i>
Hasmukhbhai Patel	<i>Member</i>

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NOTICE

NOTICE is hereby given that the 13th Annual General Meeting of the Members of **ASIAN GRANITO INDIA LIMITED** will be held at Ahmedabad Textile Mills' Association, Ashram Road, Navrangpura, Ahmedabad - 380009 on **Saturday, September 27, 2008** at 11.00 a.m. to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2008 and the Audited Profit & Loss Account for the year ended on that date together with the Report of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Shri Maganlal Prajapati who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Mahesh Chander Julka who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s. A. L. Thakkar & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

Special Business:

6. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:
"RESOLVED THAT Shri Shankarlal Patel who was appointed as additional director by the Board of Directors of the Company on March 30, 2008 and who holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received notice from a member proposing his candidature as a Director of the Company be and is hereby appointed as Director of the Company, liable to retire by rotation."
7. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:
"RESOLVED THAT Shri Ajendrakumar Patel who was appointed as additional director by the Board of Directors of the Company on July 29, 2008 and who holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received notice from a member proposing his candidature as a Director of the Company be and is hereby appointed as Director of the Company, liable to retire by rotation."

By Order of the Board of Directors

Place : Ahmedabad
Date : July 29, 2008
Registered Office:
202, Dev Arc, Opp. Iskon Temple,
Sarkhej Gandhinagar Highway,
Ahmedabad 380015

Vanita Agarwal
Company Secretary

NOTES:

1. The relevant Explanatory Statement pursuant to section 173 of the Companies Act, 1956 in respect of special business under items 6 to 7 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DULY FILLED STAMPED, SIGNED AND SHOULD BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, PARTNERSHIP FIRMS, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/ AUTHORITY AS APPLICABLE, ISSUED ON BEHALF OF THE APPOINTING ORGANIZATION.
3. Members should bring the duly filled in attendance slip sent herewith for attending the meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, September 20, 2008 to Saturday, September 27, 2008 (both days inclusive) for the purpose of dividend payment



Asian Granito India Ltd.
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5. The dividend, as recommended by the Board of Directors of the Company for the year ended March 31, 2008, if declared at the Annual General Meeting, will be payable on or after September 27, 2008, to those Members whose names stand on the Register of Members
 - i) as Beneficial Owners as at the end of business hours on September 19, 2008 as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in dematerialized form.
 - ii) as Members in the Register of Members of the Company after giving effect to valid share transfers lodged with the Company on or before September 19, 2008.
6. Members are requested to intimate, indicating their folio number, the changes, if any, in their registered addresses, either to the Company or to the Registrar and Share Transfer Agent, viz, Intime Spectrum Registry Ltd. C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078 or to their respective Depository Participant ("DP") in case the shares are held in dematerialized form.
7. As an austerity measure copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the Meeting.
8. As required under clause 49 (IV) (G) of the Listing Agreement of the stock exchanges, the relevant details of persons seeking appointment/ reappointment as directors are furnished in the Corporate Governance Section of this Annual Report.

EXPLANATORY STATEMENT

The following explanatory statement pursuant to section 173 of the Companies Act, 1956 set out all material facts relating to the special business mentioned in the accompanying notice dated 29th July 2008.

Item no. 6 & 7

Shri Sankarlal Patel and Shri Ajendrakumar Patel, who have been appointed as Additional Directors of the Company by the Board of Director on March 30, 2008 and July 29, 2008 respectively pursuant to the provisions of section 260 of the Companies Act, 1956 and who hold office up to the date of forthcoming annual general meeting of the Company are eligible for appointment. The Company has received notice in writing from some members proposing their candidature for the office of Directors, under the provisions of the section 257 of the Act.

The Board considers that their association as Directors will be beneficial and in the interest of the Company.

The Directors recommended the passing of resolutions set out at Item No. 6 and 7 respectively, of the accompanying Notice.

No director other than Shri Sankarlal Patel and Shri Ajendrakumar Patel is, in any way, concerned or interested in the said resolution.

By Order of the Board of Directors

Place : Ahmedabad
 Date : July 29, 2008
 Registered Office:
 202, Dev Arc, Opp. Iskon Temple,
 Sarkhej Gandhinagar Highway,
 Ahmedabad 380015

Vanita Agarwal
Company Secretary



Asian Granito India Ltd.
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DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 13th Annual Report and audited accounts of the Company for the year ended 31st March 2008.

Financial Results

The performance of the Company for the financial year ended 31st March 2008 is summarized below: (Rs. in Lacs)

	2007-2008	2006-2007
Sales & Other Income	20415.84	16412.32
Increase/ (Decrease) in Stock	771.03	646.12
Expenditure	16416.70	13572.42
Profit/ (Loss) before interest & depreciation	4770.17	3486.02
Less: Interest	584.70	484.01
Less: Depreciation	547.04	408.81
Profit before tax	3638.43	2593.20
Less: Provision for current tax	816.89	316.00
Provision for deferred tax	129.36	160.95
Provision for fringe benefit tax	12.57	10.94
Less: Excess provision of I.T. w/back	33.45	0.00
Profit after tax	2646.15	2105.31
Add: Balance Brought Forward	3696.41	1591.10
Add: Adjustment of depreciation due to change in method.	6342.56	0.00
Less: Deferred tax liability	0.00	0.00
Amount available for appropriation	6342.56	3696.41
Appropriations:		
Proposed Dividend on Equity Shares	210.61	Nil
Corporate Tax on Dividend on Equity Shares	35.78	Nil
Balance carried to Balance Sheet	6096.16	3696.41
Basic & Diluted EPS	14.35	14.97

Consolidated Accounts

In accordance with the requirements of Accounting Standard – AS 21 issued by the Institute of Chartered Accountants of India, the consolidated accounts of the Company and its subsidiary i.e. Asian Tiles Limited, together with the Auditors' and Directors' Report thereon are annexed to this report.

Management's Discussion & Analysis Report

A detailed review of the progress of the company and the future outlook of the Company and its business as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges is presented in a separate section forming part of Annual Report.

Utilisation of Funds

The details of the amount spent out of the proceeds of the public issue in comparison with the amount as projected in the prospectus are given below:

Particulars	Total Estimated Cost of Project	Actual utilization upto 31/03/08
Capital Expenditure	6136.50	5702.39
General Corporate Purpose	121.90	26.09
IPO Expenses	531.60	753.98
Total	6790.00	6482.46

Dividend

Your Directors recommend payment of dividend at the rate of Rs.1/- (Rupee one only) per share for the year ended March 31, 2008 on 2,10,61,291 equity shares of Rs.10/- each.

Subsidiary Company

As required under section 212 of the Companies Act, 1956, the audited statements of accounts along with the report of the Board of Directors and Auditors of the subsidiary company have been attached with the Balance Sheet of the Company.

Results of Operations:

Your company has commenced the commercial production of its new Wall Tile Plant from January 2008 and also modernized and expanded its existing Vitrified Plant. Due to the modernization and expansion, the production capacity of the Vitrified Tile



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Plant has increased to 16,000 sq. mtrs. per day from 14,000 sq. mtrs. per day. The Company has achieved production capacity of 9,300 sq mtrs per day at the new Wall Tiles Plant. With the increase in the production capacity and better utilization of resources, Company has achieved 96.61% capacity utilization in Vitrified Tile Plant. The sales and the other income of the Company has increased to Rs 20415.84 lacs in comparison to the previous year of Rs. 16412.32 lacs registering a growth of 24.39%. The Net Profit after Tax for the year was Rs.2646.15 lacs as compared to Rs. 2105.31 lacs of the last year, thereby registering a growth rate of 25.69%.

Your Directors are hopeful to achieve still better results in time to come.

Fixed Deposits

The Company has complied with the provisions of section 58A & 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975 with regard to the deposits accepted from the public.

Particulars of Conservation of Energy etc.

The statement of particulars with respect to conservation of energy, technology absorption and Foreign Exchange earning and outgo pursuant to section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed herewith as Annexure A which forms part of this report.

Particulars of Employees

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 regarding employees is given in Annexure 'B' to the Directors Report.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of Companies Act, 1956 your Directors confirm that: -

- in the preparation of the annual accounts, the applicable accounting standards have been followed and there is no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- the Directors have taken proper and sufficient care for the maintenance of 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;
- the Directors have prepared the annual accounts of the Company on the 'going concern basis'.

Corporate Governance

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from Company's auditors confirming compliance of Corporate Governance norms as stipulated in Clause 49 of Listing Agreement with the Stock Exchanges is included in the Annual Report.

Board of Directors

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and the provisions of the Articles of Association of the Company, Shri Shankarlal Patel and Shri Ajendrakumar Patel were appointed as Additional Directors with effect from March 30, 2008 and July 29, 2008 respectively. Shri Shankarlal Patel and Shri Ajendrakumar Patel would hold office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing from members proposing the candidature of Shri Shankarlal Patel and Shri Ajendrakumar Patel for the office of Directors, liable to retire by rotation.

In accordance with the provisions of the Companies Act, 1956 (the Act) and the Company's Articles of Association, Shri Maganlal Prajapati and Shri Mahesh Chander Julka, Directors of the Company, retire from the Board by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting.

Auditors

M/s A.L. Thakkar & Co., Chartered Accountants, Auditors, of the Company hold office upto the conclusion of the ensuing Annual General Meeting. The Company has received Certificate under section 224(1) (B) of the Companies Act, 1956 from them confirming their eligibility for re-appointment as Auditors of the Company.

Industrial Relations

The industrial relations with employees remained cordial through out the year. Your Directors wish to place on record their appreciation of the devoted services rendered by the workers, staff and employees of the Company.

Acknowledgement

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Company's valued customers, members, various department of Central & State Government, Local Authorities, and Banks during the year under review and looking to their continued support in the future to the Company's growth. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the Executives, Staff and Workers of the Company.

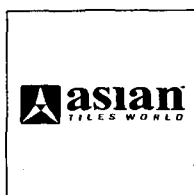
For and on behalf of Board of Directors

Place : Ahmedabad

Date : July 29, 2008

Kamleshbhai Patel

Chairman



Asian Granito India Ltd.
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ANNEXURE TO THE DIRECTORS REPORT

Particulars pursuant to section 217 (1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Directors' Report) Rules, 1988:

1. CONSERVATION OF ENERGY

1) Energy Conservation measures taken

The Company has formed a strong technical department headed by senior personnel to continuously monitor energy consumption and plan and execute energy conservation schemes. Effective measures are being taken for overall technological upgradation of plant and machinery.

2) Total energy consumption and energy consumption per unit of production

FORM 'A'

		Financial Year	
A.	POWER AND FUEL CONSUMPTION	2007-08	2006-07
I)	Electricity		
a)	Purchased Unit (in H.P./ K.W.H.)	274.07	156.30
	Total Amount (Rs. In Lacs)	1288.96	725.87
	Rate per unit (Amount/Units) Rs.	4.72	4.64
b)	Own Generation		
(i)	Through D.G. Set/ Liquid Fuel/Gas Generator		
	Units (In H.P./K.W.H.)	10.38	48.35
	Total Amount (Rs. In Lacs)	130.38	732.62
	Rate per unit (Amount/Units) Rs.	12.54	15.15
(ii)	Through Other (specify)		
	Units (In H.P./K.W.H.)	Nil	Nil
	Total Amount (Rs. In Lacs)	Nil	Nil
	Rate per unit (Amount/Units) Rs.	Nil	Nil
II)	Fuel Consumption		
1.	Light Diesel Oil (L.D.O.)/Coal/Kerosene		
	Quantity in Kgs.	4.29	23.66
	Total Amount (Rs. In Lacs)	130.38	732.62
	Cost Per Unit (Total Amount/Quantity)	30.38	30.96
2.	L.P.G./Natural Gas		
	Quantity in Ltres/ LKgs.	149.57	88.12
	Total Amount (Rs. In Lacs)	3237.80	1978.31
	Cost Per Unit (Total Amount/Quantity)	21.65	22.45
3.	Other (Coal)		
	Quantity in Ltres/ LKgs.	17.12	24.98
	Total Amount (Rs. In Lacs)	128.42	164.08
	Cost Per Unit (Total Amount/Quantity)	7.50	6.57
B.	CONSUMPTION PER UNIT OF PRODUCTION		
I)	Electricity (Units per Sq. Mtr.)	5.21	4.69
	Electricity (Rupees per Sq. Mtr.)	24.50	21.76
II)	L.D.O./Kerosene/Coal (Unit Per Sq Mtr. Production)	5.21	4.69
	L.D.O./Kerosene/Coal (Rupees Per Sq Mtr. Production)	70.76	71.01
III)	L.P.G./Natural Gas (Qty Per Sq Mtr. Production)	2.74	2.02
	L.P.G./Natural Gas (Rupees Per Sq Mtr. Production)	59.37	45.30
IV)	Other	NIL	NIL

**Asian Granito India Ltd.****Annual Report 2007-2008****2) TECHNOLOGY ABSORPTION:****a) Research and Development****i) Specific areas in which R & D carried out by the Company:**

Your Company continues to test and work with technologies and engage in Research & Development Programme. Efforts of the Company are directed towards quality control and improvement of in-house expertise.

ii) Benefits derived as a result of the above R & D:

The above R&D activities have resulted in improvement of product quality and cost effectiveness.

b) Technology Absorption and Innovation:

The Company has been putting emphasis to train its technical personnel by way of providing training to them for the latest technology available. It has resulted in a better quality of product, which has been brought to the International Standard, besides improving the productivity and reducing the wastages. The Company also sent its personnel to China for training of latest technology plant.

3) FOREIGN EXCHANGE EARNINGS / OUTGO

(Rs. in lacs)		
Particulars	2007-08	2006-07
Foreign Exchange Earned:		
Export of Goods on FOB Basis	7.11	1.06
Foreign Exchange Used:		
Foreign Traveling	7.29	4.51
Purchase of Capital Goods	944.49	55.48
Stores & Spares	615.21	496.66
Raw Materials	806.13	606.10
Marble Stone (Trading)	103.22	0

ANNEXURE 'B' TO DIRECTORS' REPORT

Statement pursuant to section 217(2A) of the Companies Act, 1956 read with Companies (Particular of Employees) rules 1975 and forming part of Directors' Report for the year ended 31st March 2008.

Name	Designation & Nature of Duties	Remuneration GrossRs.	Qualification	Date of Commencement of Employment	Total Experience (years)	Age in (years)	Last Employment
A K Garg	Director (Sales & Marketing)	42,09,528	PG in Business Admn.	01/01/2004	28	48	Sun Earth Ceramics Limited

For and on behalf of Board of Directors

Place : Ahmedabad

Date : July 29, 2008

Kamleshbhai Patel*Chairman*



Asian Granito India Ltd.
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MANAGEMENT DISCUSSION AND ANALYSIS

A INDUSTRY OVERVIEW

Tile Industry

Tiles have been used as paving or cladding material since ancient times. Records evidence that tiles were used to decorate the interiors of pyramids, indicating that the production of tiles was prevalent, among the Egyptians, in 5000 B.C. prior to the industrial revolution, glazed ceramic tiles were seen as a rich man's product and were reserved for palaces and sacred buildings. The production of such tiles was not only labour intensive but also expensive. Technological advances in the tile manufacturing industry, however, have revolutionised the manner of production of ceramic tiles. Such technological advances have lowered the cost of and reduced the time involved in, the production of ceramic tiles in addition to making it less labour intensive. Factors such as these have resulted in tiles becoming a more affordable commodity.

At present, tiles are an integral part of housing / commercial projects and the rapid development in tile manufacturing technology has enabled the production of more durable, long-lasting tiles in a variety of designs and sizes.

Characteristics of tiles

A ceramic tile is a mixture of clay and other minerals, which are shaped and fired under high temperatures to form a hard body, called Bisque. Different regions of the world produce their own unique type of clay with different combinations of hardness, colour, texture, etc. The raw materials provide strength and stability to the Bisque and the clay provides density. Glass may be fused into the Bisque by using intense heat. This process is called Glazing. A tile may also be left unglazed.

The Monocottura technology was another important development in the field of tile manufacturing. Monocottura in Italian means single-fired. This process shapes, fires and glazes tiles in one step. Tile manufacturing which required the tiles to be baked in kilns for days to achieve the desired results could, as a consequence of the Monocottura technology, be produced in less than an hour. This has in turn resulted in a significant decrease in the cost of production of tiles. The Monocottura tiles also have better density and glaze as compared to tiles produced by other methods.

The Monocottura process is distinguished from the Bicottura process since the latter requires clay to be 'fired' twice. The clay is 'fired' first following the layer of ceramic is glazed consequent upon further 'firing'. Tiles produced in this manner may be 'fired' several times, and are generally less durable as compared to tiles produced through the Monocottura process.

Types of Tiles

The word 'Ceramic Tiles' is a generic word which includes:

- Ceramic Floor tiles
- Unpolished vitrified tiles
- Polished vitrified tiles
- Porcelain tiles
- Ceramic Wall tiles
- Rustic tiles
- Double Feeder / Multicharge tiles

Ceramic tiles may be classified as glazed ceramic tiles and unglazed ceramic tiles. Glazed ceramic tiles may be plain or decorated and are generally used as both wall tiles and floor tiles. Unglazed ceramic floor tiles are more suited to commercial and industrial settings.

Floor tiles are generally thicker, larger and more porous when compared to wall tiles. Floor tiles are generally of three kinds:

B OPPORTUNITIES AND THREATS:-

The replacement market is growing rapidly as new tiling solutions are creating several new options for existing facilities. A large replacement and maintenance market is expected to emerge as the market matures, the quality of work improves and the time taken to fix the tiles is reduced. Increasing brand awareness amongst the consumers is also benefiting the manufacturers in the organized sector.

Entry barriers for ceramic tile industry:

The major entry barriers for the ceramic tile industry are the high capital costs involved and strong brand image.

Setting up a tile manufacturing unit is a highly capital intensive activity, where controlling costs is crucial for a successful operation. Further with the improvement in technology, manufacturing tiles has become more automated. The manufacturers need to continuously upgrade their technology in order to stay competitive.