



**Press Release
For Immediate Publication**

Subhash Projects & Marketing Ltd. Q2 net profit up by 23.16 % to Rs 12.39 cr.

- **SPML re-structured on the Strategic Business Unit (SBU) concept**
- **Receives Construction World-NICMAR Award, 2007 as Fastest Growing Construction Company in Large Category**

Kolkata, November 1, 2007: Subhash Projects & Marketing Ltd., one of India's largest integrated engineering companies announced its financial results for the second quarter ended September 30, 2007. The company registered a jump of 23.16% in Net Profits, which increased to Rs. 12.39 Crore from Rs. 10.06 Crore in the corresponding period last year. In synergy with the projections, the EBIDTA rose by 26.58 % to Rs. 27.33 crores from Rs 21.59 Crore in Q2, last fiscal. The Net Sales registered an increase of 18.05 % rising to Rs 228.61 Crore from Rs. 193.65 Crore in the same period last year.

The half yearly results also witnessed a remarkable jump with sales rising by 56.13% and net profits soaring by 21.25.%. The EBIDTA increase for the period was 32.64%.

Restructuring:

Subhash Projects and Marketing Ltd. has also announced its re-structuring on the basis of the Strategic Business Unit (SBU) concept based on recommendation from its advisory Ernst & Young. These came into effect on 1st July, 2007.

Through restructuring, SPML will be divided into 5 strategic units which will lead to greater focus on not only water management which is its core competence but also target enhanced growth in power and infrastructure which were being handled on a relatively smaller scale till date. Restructuring will bring into focus five key SBU's which have been set-up for the purpose. The process of restructuring will give equal importance to five SBU's namely

- I. Infrastructure.
- II. Power transmission and distribution
- III. Water
- IV. Highway & Roads
- V. Power Generation

Awards

Subhash Projects & Marketing Ltd. has also been awarded the 1st prize as the 'Fastest Growing Construction Company' in the prestigious Construction World – NICMAR Awards 2007.

Highlights of Q2 Results

(2007-08)

- The net profit increased to Rs 12.39 Crore from Rs. 10.06 Crore in the corresponding period last fiscal
- Sales rose to Rs 228.61 Crore from Rs. 193.65 Crore
- The EBIDTA increased to Rs 27.33 Crore from Rs. 21.59 Crore
- EPS increased to Rs 3.69 from Rs. 3.23 in Q2 of the last fiscal.

Commenting on the buoyant Q2 results and the restructuring process, **Mr. Subhash Sethi, Vice - Chairman, Subhash Projects & Marketing Ltd.** said, "We have begun the second half on a positive note and are bullish about our growth in the forthcoming quarters. Restructuring will lead to a flatter organisation with individual targets for each SBU propelling multi-sectoral growth. Huge infrastructural opportunities are emerging within the country and restructuring will enable us to diversify into new business opportunities such as SEZ's, highways and roads without losing momentum in the key Water and Power verticals."

About Subhash Projects: *SPML is India's leading engineering construction and project management company with more than 25 years of experience in large scale and turnkey projects in the public and private sector. Having successfully undertaken over 150 projects in the areas of water and power management, power distribution, infrastructure and environmental projects and equipped with well qualified and highly skilled team of more than 1000 engineers the group is geared to build a future that India has never seen. Certified with ISO 9000: 2002 norms Subhash Projects today is one of the major national players with offices in Kolkata, Delhi, Mumbai, Bangalore, Jaipur, Bhopal, Patna and Guwahati.*

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