



McDOWELL HOLDINGS LIMITED

Ref: bm141106-se

November 06, 2014

Bangalore Stock Exchange Limited
51, Stock Exchange Towers,
1st Cross, J C Road,
Bangalore – 560 027

Dear Sir,

**Sub: Unaudited Financial Results for the quarter and six months ended
September 30, 2014**

The Board of Directors of the Company, at its meeting held today, has considered and taken on record, the Unaudited Financial Results for the quarter and six months ended September 30, 2014. The Limited Review Report thereon, received from the Statutory Auditors of the Company, was placed before the Board.

We forward herewith a copy of the Unaudited Financial Results alongwith the Limited Review Report, for your information and records.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully

for McDowell Holdings Limited

**RITESH SHAH
COMPANY SECRETARY**

Encl: As above

cc:-

The Stock Exchanges at:
Mumbai – Scrip Code No. 532852 and
National Stock Exchange of India Limited, Mumbai

McDowell Holdings Limited

Regd. Office: UB Tower, Level 12, UB City, 24 Vittal Mallya Road, Bangalore - 560 001

Email: mhlinvestor@ubmail.com | website: www.mcdowellholdings.in | CIN : L05190KA2004PLC033485

PART I

Rs. Lakhs

Statement of Unaudited Financial Results for the quarter and half year ended September 30th, 2014

PARTICULARS	Three months ended			Half Year ended		Year ended
	30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income from operations						
Income from operations	463.63	296.16	497.06	759.79	863.73	1,285.88
Total income from operations	463.63	296.16	497.06	759.79	863.73	1,285.88
2. Expenses						
(a) Employee benefits expense	15.25	10.22	9.35	25.47	12.59	34.12
(b) Mailing charges	9.99	-	6.06	9.99	6.10	6.10
(c) Share transfer agent fees	1.55	2.26	5.15	3.81	7.13	8.63
(d) Other expenses	16.42	6.96	6.63	23.38	15.78	22.19
(e) Provision for doubtful advances	-	-	-	-	-	2,050.71
Total expenses	43.20	19.44	27.19	62.64	41.60	2,121.75
3. Profit from ordinary activities before finance costs and exceptional item	420.43	276.72	469.87	697.15	822.13	(835.87)
4. Finance costs	346.61	331.18	413.51	677.79	728.01	1,247.56
5. Profit/(loss) before exceptional item	73.81	(54.46)	56.36	19.35	94.12	(2,083.43)
6. Exceptional item	1,742.88	-	-	1,742.88	-	-
7. Profit / (loss) before tax	1,816.69	(54.46)	56.36	1,762.23	94.12	(2,083.43)
8. Tax expense	-	-	14.00	-	14.00	-
9. Net Profit / (loss)	1,816.69	(54.46)	42.36	1,762.23	80.12	(2,083.43)
10. Paid-up equity share capital (face value of ₹ 10/- each, fully paid up)	1,399.23	1,399.23	1,399.23	1,399.23	1,399.23	1,399.23
11. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	3,387.98
12. Earnings per share (face value of ₹ 10/- each) (not annualised)						
(a) Basic & diluted (before exceptional item)	0.53	(0.39)	0.40	0.14	0.57	(14.89)
(a) Basic & diluted (after exceptional item)	12.98	(0.39)	0.40	12.59	0.57	(14.89)



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PART II

Select Information for the quarter and half year ended September 30th, 2014

Rs. Lakhs

PATRICULARS	Three months ended			Year ended		Year ended
	30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A PARTICULARS OF SHAREHOLDING						
1. Public shareholding						
- Number of shares	11,474,866	11,474,866	9,924,866	11,474,866	9,924,866	11,474,866
- Percentage of shareholding	82.01	82.01	70.93	82.01	70.93	82.01
2. Promoters and Promoter Group Shareholding						
a) Pledged / Encumbered						
- Number of shares	317,030	317,030	1,817,030	317,030	1,817,030	317,030
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	12.59	12.59	44.67	12.59	44.67	12.59
- Percentage of shares (as a % of the total share capital of the company)	2.27	2.27	12.99	2.27	12.99	2.27
b) Non - encumbered						
- Number of shares	2,200,362	2,200,362	2,250,362	2,200,362	2,250,362	2,200,362
- Percentage of shares (as a % of the total shareholding of the Promoter and promoter group)	87.41	87.41	55.33	87.41	55.33	87.41
- Percentage of shares (as a % of the total share capital of the company)	15.73	15.73	16.08	15.73	16.08	15.73

Particulars	Three months ended 30th September 2014
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	NIL
Received during the quarter	NIL
Disposed of during the quarter	NIL
Remaining unresolved at the end of the quarter	NIL



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Statement of Unaudited Financial Results for the quarter and half year ended September 30th, 2014

PARTICULARS	Three Months ended			Half Year ended		Year ended
	30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
1.SEGMENT REVENUE						
Investments	164.04	-	144.87	164.04	144.87	144.87
Financial services	299.59	296.16	352.19	595.75	718.86	1,141.01
	463.63	296.16	497.06	759.79	863.73	1,285.88
2.SEGMENT RESULTS						
Investments	142.44	(9.72)	131.41	132.72	124.21	107.14
Financial services	(68.62)	(44.74)	(75.05)	(113.36)	(30.09)	(139.86)
Total	73.81	(54.46)	56.36	19.35	94.12	(32.72)
Provision for doubtful advances	-	-	-	-	-	-
Exceptional item	1,742.88	-	-	1,742.88	-	2,050.71
Profit Before Tax	1,816.69	(54.46)	56.36	1,762.23	94.12	(2,083.43)
3. CAPITAL EMPLOYED						
Investments	6,191.77	6,260.32	6,405.20	6,191.77	6,405.20	6,260.32
Financial services	357.67	(1,482.89)	545.57	357.67	545.57	(1,473.11)
Total	6,549.44	4,777.43	6,950.77	6,549.44	6,950.77	4,787.21

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

Particulars	As at September 30, 2014	As at March 31, 2014
	Unaudited	Audited
I. Equity and Liabilities		
1.Shareholders' Funds:		
a. Share Capital	1,399.23	1,399.23
b. Reserves and Surplus	5,150.21	3,387.98
2. Current Liabilities		
a. Long-term borrowings	5,000.00	5,000.00
b. Other long term Liabilities	457.98	10.41
3. Current Liabilities		
a. Short-term borrowings	2,000.00	2,000.00
b. Other Current Liabilities	103.08	48.98
c. Short term provision	132.40	132.40
II. Assets	14,242.90	11,979.00
1. Non-current Assets		
a. Non Current Investments	6,191.77	6,260.32
2. Current Assets		
a. Trade Receivables	229.55	143.30
b. Cash and Cash Equivalents	93.80	25.14
c. Short term Loans and Advances	5,846.28	5,526.60
d. Other current assets	1,881.50	23.64
	14,242.90	11,979.00



Notes :

- 1 This statement of Unaudited financial results have been reviewed by the Audit committee and approved by the Board of Directors at their meeting held on November 06, 2014.
- 2 a) Corporate Guarantee and pledge of investments provided by the company in favour of a banker to secure the latter's exposure of Rs. 451 crores (as of September 30, 2014) to certain Group companies, has been invoked for commission of certain acts of default by the borrowers and a demand for repayment of Rs. 312 crores has been made on the company. However, having regard to the progress made in the ongoing negotiations for restoring the credit facilities and since the demand for repayment is not pressed by the bank, the company continues to treat its obligations as contingent. For these reasons, the company continues to prepare its accounts on a going concern basis.
- b) The aforesaid banker has sold a small portion of the pledged shares and has retained the net sale proceeds of Rs. 18.10 crores as cash margin. The net profit of Rs. 17.43 crores arising on sale has been shown as exceptional item and the provision for MAT, if any, will be recognised in the annual accounts.
- c) Having regard to the progress of litigation involving a Group Company to which the company has advanced a sum of Rs. 50.88 crores, the Board of Directors are reasonably confident of its recovery and accordingly, the said advance has been treated as good and recoverable.

The Statutory Auditors have qualified the above matters in their Limited Review Report.

- 3 Decline in the carrying value of long term investments of Rs. 30.30 crores, is considered temporary, having regard to the strategic nature of such investments.
- 4 The acquisition of shares by Zuari Fertilizers and Adventz Group in Mangalore Chemicals & Fertilisers Ltd (MCF) under Regulation 20 of the SEBI (SAST) Regulations 2011, in which the company was acting in concert with the acquirer, has been completed and consequently, the company, and the acquirer, collectively hold 38.4% of the paid up share capital of MCF.
- 5 A Limited Review of the above financial results has been carried out by the Statutory Auditors of the Company.
- 6 Figures of the previous period / year have been regrouped / rearranged wherever necessary.

By Authority of the Board

Place: Bangalore
Date :November 6, 2014

N. Srinivasan
Chairman



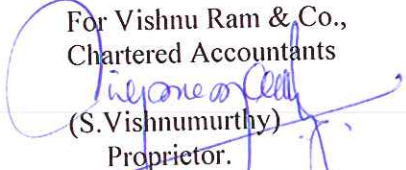
VISHNU RAM & CO.,

CHARTERED ACCOUNTANTS

LIMITED REVIEW REPORT

1. We have reviewed the accompanying statement of unaudited financial results of McDowell Holdings Limited, Bangalore for the period ended September 30, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. Our review has been restricted to the figures shown in the column headed "three months ended September 30, 2014" and "for the six months ended September 30, 2014".
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. *In our report on the audited financial statements for the year ending 31.03.2014, we had drawn attention of the shareholders to (i) invocation of company's corporate guarantee and exercise of pledge over company's investments by a lender to whom they were given to secure its lending to certain group companies and (ii) non recognition of diminution in the carrying value of certain long term investments. Further, we had qualified our report with regard to (i) appropriateness of treating a loan of Rs. 50.88 crores as good and recoverable and (ii) appropriateness of preparation of financial statements on going concern basis. There have not been any changes with regard to the above.*
5. *The lender referred to in paragraph 4 has disposed of a part of the pledged shares and has retained the net proceeds of Rs. 18.10 crores as security for its financial exposure.*
6. *Provision for MAT amounting to Rs. 3.48 crore has not been made (Ref Note No. 3).*
7. Based on our review conducted as above and *subject to our observations in paragraphs 4 to 6 above* we report that nothing else has come to our attention that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Bangalore
Date : 06-11-2014

For Vishnu Ram & Co.,
Chartered Accountants

(S. Vishnumurthy)
Proprietor.
Membership No.22715
Firm Registration No. 004742S