



McDOWELL HOLDINGS LIMITED

Ref: bm150212-se

February 12, 2015

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Dear Sir,

Sub: Unaudited Financial Results for the quarter and nine months ended December 31, 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 nine months ended December 31, 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:
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
Mumbai – 400051

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

Statement of Unaudited Financial Results for the quarter and nine months ended December 31st, 2014

Rs. Lakhs

PARTICULARS	Three months ended			Nine months ended		Year ended
	31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income from operations						
Income from operations	341.48	463.63	372.43	1,101.27	1,236.16	1,285.88
Total income from operations	341.48	463.63	372.43	1,101.27	1,236.16	1,285.88
2. Expenses						
(a) Employee benefits expense	12.29	15.25	11.97	37.76	24.56	34.12
(b) Mailing charges	-	9.99	-	9.99	6.10	6.10
(c) Share transfer agent fees	1.13	1.55	0.64	4.94	7.77	8.63
(d) Other expenses	3.80	16.42	(3.47)	27.17	12.31	22.19
(e) Provision for doubtful advances	-	-	-	-	-	2,050.71
Total expenses	17.22	43.20	9.14	79.86	50.74	2,121.75
3. Profit from ordinary activities before finance costs and exceptional item	324.26	420.43	363.29	1,021.41	1,185.43	(835.87)
4. Finance costs	359.08	346.61	182.66	1,036.88	910.67	1,247.56
5. Profit/(loss) before exceptional item	(34.82)	73.81	180.64	(15.47)	274.76	(2,083.43)
6. Exceptional item	-	1,742.88	-	1,742.88	-	-
7. Profit / (loss) before tax	(34.82)	1,816.69	180.64	1,727.41	274.76	(2,083.43)
8. Tax expense	-	-	38.48	-	52.48	-
9. Net Profit / (loss) for the period / year	(34.82)	1,816.69	142.16	1,727.41	222.28	(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)	(0.25)	0.53	1.02	(0.11)	1.59	(14.89)
(a) Basic & diluted (after exceptional item)	(0.25)	12.98	1.02	12.35	1.59	(14.89)



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PART II

Rs. Lakhs

Select Information for the quarter and nine months ended December 31st, 2014

PATRICULARS	Three months ended			Nine months ended		Year ended
	31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-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
	13,992,258	13,992,258	13,992,258	13,992,258	13,992,258	13,992,258

Particulars	Three months ended 31st December 2014
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	NIL
Received during the quarter	2
Disposed of during the quarter	2
Remaining unresolved at the end of the quarter	NIL



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Statement of Unaudited Financial Results for the quarter and nine months ended December 31st, 2014

PARTICULARS	Three Months ended			Nine months ended		Rs. Lakhs
	31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	Year ended
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	31-Mar-14 Audited
1.SEGMENT REVENUE						
Investments	-	164.04	-	164.04	144.87	144.87
Financial services	341.48	299.59	372.43	937.23	1,091.29	1,141.01
	341.48	463.63	372.43	1,101.27	1,236.16	1,285.88
2.SEGMENT RESULTS						
Investments	(8.61)	142.44	(4.43)	124.11	119.78	107.14
Financial services	(26.21)	(68.62)	185.07	(139.58)	154.97	(139.86)
Total	(34.82)	73.81	180.64	(15.47)	274.76	(32.72)
Provision for doubtful advances	-	-	-	-	-	2,050.71
Exceptional item	-	1,742.88	-	1,742.88	-	-
Profit / (loss) Before Tax	(34.82)	1,816.69	180.64	1,727.41	274.76	(2,083.43)
3. CAPITAL EMPLOYED						
Investments	6,191.77	6,191.77	6,260.32	6,191.77	6,260.32	6,260.32
Financial services	322.82	357.67	832.60	322.82	832.60	(1,473.11)
Total	6,514.59	6,549.44	7,092.92	6,514.59	7,092.92	4,787.21



Notes:

1. This statement of un-audited financial results has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 12, 2015.
- 2 (a) The company has provided corporate guarantee, pledge, besides cash margins retained by the bank, all totaling to Rs. 330.17 crore in favour of a lender to secure the borrowings of certain group companies. Of the cash margin amounting to Rs. 18.11 crore, the lender has appropriated a sum of Rs. 8.34 crore for the dues of one of the borrowers.

In the opinion of the management, this amount is presently considered good taking into consideration the ongoing discussions for recapitalisation of the said group company.

Although the said lender has also invoked the corporate guarantee and pledge of securities and demanded repayment of loans amounting to Rs. 312.06 crore, the borrowers are in negotiation with lender and are regular in servicing their respective obligations. Hence, the company continues to treat its obligations as contingent.

- (b) An amount of Rs. 50.88 crores is due from a Group company, which is contesting several winding up petitions filed against it. In the opinion of the management no provision is considered necessary at this time.
- (c) The company's net worth, taking into account the market value of investments, would be more than adequate to meet all its liabilities and continue to operate in the future. Accordingly, the accounts of the company are presented on principles applicable to a going concern.

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



3. Provision for MAT, on the book profits of the company, if any, will be considered in the annual accounts.
4. 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.
5. The net profit on sale of pledged security by lenders of Group companies' borrowers, amounting to Rs. 17.43 crores, has been shown as an exceptional item.
6. A Limited Review of the above financial results has been carried out by the Statutory Auditors of the Company.
7. Figures of the previous period / year have been regrouped / rearranged wherever necessary.

Place: Mumbai

Date: February 12, 2015

By Authority of the Board



N Srinivasan
Chairman



VISHNU RAM & CO.,

CHARTERED ACCOUNTANTS

LIMITED REVIEW REPORT

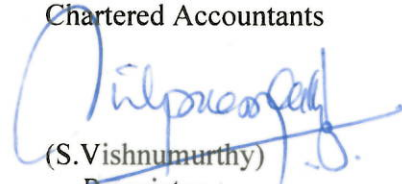
1. We have reviewed the accompanying statement of unaudited financial results of McDowell Holdings Limited, Bangalore for the period ended December 31, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures 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 columns headed "three months ended December 31, 2014" and "for the nine months ended December 31, 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 [Ref Note No. 2(a)] and (ii) non recognition of diminution in the carrying value of certain long term investments (Ref Note No. 4). Further, we had qualified our report with regard to (i) appropriateness of treating a loan of Rs. 50.88 crore as good and recoverable and (ii) appropriateness of preparation of financial statements on going concern basis. There have not been any significant developments with regard to the above [Ref Note No. 2(b) and 2(c)].*
5. *During the year under review, the lender referred to in paragraph 4 above has disposed of a portion of the shares pledged as security. Out of the sale proceeds it has appropriated a sum of Rs. 8.34 crores against the dues from a group company and has retained the balance sale proceeds of Rs. 9.77 crores as security for its outstanding financial exposure. The recovery of the amount of Rs. 8.34 crores from the said group company may take a long period of time [Ref Note No. 2(a)].*
6. *Provision for MAT (Taxation) amounting to Rs. 3.34 crores has not been made in the accounts (Ref Note No.3).*

VISHNU RAM & CO.,
CHARTERED ACCOUNTANTS

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: Mumbai
Date : 12-02-2015

For Vishnu Ram & Co.,
Chartered Accountants


(S. Vishnumurthy)
Proprietor.

Membership No.22715
Firm Registration No. 004742S