



McDOWELL HOLDINGS LIMITED

Date: 30-05-2016

The Manager
Dept. of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Tower
Dalal Street, Mumbai-400001

The Asst. Vice President
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block – G
Bandra-Kurla Complex, Bandra (East)
Mumbai-400051

BSE Scrip Code:532852

NSE Symbol: MCDHOLDING

Sub: Audited financial results for the year ended 31st March, 2016.

Dear Sir,

Pursuant to the provisions under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we enclose Statement of Unaudited/Audited Financial Results for the quarter and year ended 31st March, 2016 along with statement on impact on audit qualifications and press release, which was approved and taken on record at the meeting of Board of Directors held today, the 30th May, 2016.

The above is for your information and record.

Thanking You

Yours Faithfully

For McDowell Holdings Limited


Manoj Kumar
Company Secretary

Encl.: as above

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.co.in | CIN : L05190KA2004PLC033485

PART I

Statement of Audited Financial Results for the Quarter and Year ended March 31, 2016

Rs. Lakhs (except Per share data)

PARTICULARS	Three months ended			Year Ended	Year ended
	31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
	Unaudited	Unaudited	Unaudited	Audited	Audited
1. Income from operations					
(a) Interest and Guarantee Commission	2.18	319.06	303.79	930.37	1,241.02
(b) Dividend income	-	-	-	135.63	164.04
(c) Other income	-	-	3.80	-	3.80
Total income from operations	2.18	319.06	307.59	1,066.00	1,408.86
2. Expenses					
(a) Employee benefits expense	12.89	11.78	13.97	49.24	51.73
(b) Other expenses	16.76	5.22	13.44	86.65	55.54
(c) Depreciation	0.10	-	-	0.10	-
(d) Provision for doubtful advances	1,509.27	-	1,097.83	1,509.27	1,097.83
(e) Advances no longer recoverable	16,572.78	-	-	16,572.78	-
(f) Diminution in value of investment	1,980.74	-	-	1,980.74	-
Total expenses	20,092.52	17.00	1,125.24	20,198.77	1,205.10
3. Profit/(loss) from ordinary activities before finance costs and exceptional item	(20,090.35)	302.05	(817.65)	(19,132.77)	203.76
4. Finance costs	414.61	414.81	363.96	1,610.50	1,400.84
5. Profit/(loss) before exceptional item & tax	(20,504.95)	(112.76)	(1,181.61)	(20,743.27)	(1,197.08)
6. Exceptional item : Profit on sale of pledged shares	11,833.70	3,827.15	-	18,973.86	1,742.88
7. Profit / (loss) before tax	(8,671.25)	3,714.39	(1,181.61)	(1,769.41)	545.80
8. Tax expense	370.00	-	-	370.00	-
9. Net Profit / (loss) for the period / year	(9,041.25)	3,714.39	(1,181.61)	(2,139.41)	545.80
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
11. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	1,794.37	3,933.78
12. Earnings per share (face value of ` 10/- each) (not annualised)					
(a) Basic & diluted (before exceptional item)	(146.54)	(0.81)	(8.44)	(148.25)	(8.56)
(a) Basic & diluted (after exceptional item)	(64.62)	26.55	(8.44)	(15.29)	3.90



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Statement of Audited Financial Results for the quarter and Year ended March 31, 2016

Rs. Lakhs

PARTICULARS	Three months ended			Year ended	
	31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
	Unaudited	Unaudited	Unaudited	Audited	Audited
1.SEGMENT REVENUE					
Investments	-	-	-	135.63	164.04
Financial services	2.18	319.06	307.59	930.37	1,244.82
	2.18	319.06	307.59	1,066.00	1,408.86
2.SEGMENT RESULTS					
Investments	(14.86)	(8.51)	(13.71)	67.64	110.40
Financial services	(427.31)	(104.25)	(70.08)	(748.13)	(209.66)
Total	(442.18)	(112.76)	(83.79)	(680.49)	(99.25)
Provision for doubtful advances	1,509.27	-	1,097.83	1,509.27	1,097.83
Exceptional item : Profit on sale of pledged shares	11,833.70	3,827.15	-	18,973.86	1,742.88
Advances no longer recoverable	16,572.78	-	-	16,572.78	-
Diminution in value of investment	1,980.74	-	-	1,980.74	-
Profit / (loss) Before Tax	(8,671.25)	3,714.39	(1,181.61)	(1,769.41)	545.80
3. CAPITAL EMPLOYED					
Investments	3,592.04	5,971.05	6,191.77	3,592.04	6,191.77
Financial services	(398.44)	6,263.78	(858.77)	(398.44)	(858.77)
Total	3,193.60	12,234.83	5,333.01	3,193.60	5,333.01



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Statement of Audited Financial Results for the quarter and Year ended March 31, 2016

Rs. Lakhs

STANDALONE STATEMENT OF ASSETS AND LIABILITIES		
Particulars	As at March 31, 2016	As at March 31, 2015
	Audited	Audited
I. Equity and Liabilities		
1.Shareholders' Funds:		
a. Share Capital	1,399.23	1,399.23
b. Reserves and Surplus	1,794.37	3,933.78
2. Current Liabilities		
a. Short-term borrowings	2,000.00	2,000.00
b. Other Current Liabilities	105.09	6,010.10
c. Short term provision	502.40	132.40
	5,801.09	13,475.51
II. Assets		
1. Non-current Assets		
a. Tangible assets	0.39	-
b. Non Current Investments	3,592.04	6,191.77
2. Current Assets		
a. Trade Receivables	46.73	179.88
b. Cash and Cash Equivalents	14.78	56.36
c. Short term Loans and Advances	396.42	6,329.30
d. Other current assets	1,750.73	718.20
	5,801.09	13,475.51



NOTES:

1. The standalone results for the quarter and year ended March 31, 2016 of McDowell Holdings Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 30, 2016 and have been audited by the statutory auditors of the Company.
2. The financial statements are generally in conformity with circular no. CIR/CFD/CMD/56/2016 Dated 27th May, 2016 of Security and Exchange Board of India.
3. The Company's corporate guarantee and pledge of securities in favour of a lender to secure the borrowing of certain group companies, continues. The said lender has invoked the corporate guarantee and demanded repayment of loans. During the financial year the lender sold pledged securities of the Company totaling to Rs. 109.45 crs. The borrower companies are in negotiation with the lender for restoration of the facilities. Accordingly the Company continues to treat its balance obligations of Rs. 208.60 crs as contingent.
4. The Company reviewed the situation arising out of the dues from a group company, in the form of an unsecured loan of Rs. 50.88 crs. The total dues from the Company including interest accrued till March, 2016 is Rs. 65.98 crs. Additionally an amount of Rs. 109.45 crs. is recoverable from the said group company due to sale of pledged securities.

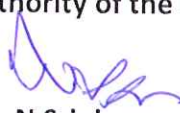
The said group company has in April, 2016 presented a proposal for settlement of dues to the consortium of banks of Kingfisher Airlines Ltd. to which it had provided corporate guarantees. Under the proposed settlement substantial portion of the assets of the said group company would need to be sold. In view of this and due to various winding up petitions pending against the said group company, the Company's directors are of the opinion that dues of Rs. 160.33 crs. is doubtful and would take a protracted length of time for recovery. Further an amount of Rs. 5.40 crs. is due from another group company which is registered with BIFR. In these circumstances the above dues have been written off.
5. The Company's net worth taking into account the market value of its balance investments, would be more than adequate to meet all its liabilities, and continue to operate in the future. Accordingly the Company continues to present its financial statements on the principles applicable to 'going concern'.
6. The Company does not have a Managing Director and a Chief Financial Officer. The affairs of the Company in the interregnum are monitored by executives of the Group, with the guidance of the Group Chairman and the Group Financial Officer.
7. The figures of the last quarter ended March 31, 2016 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2016 and the unaudited published year-to-date figures up to December 31, 2015 being the date of the end of the third quarter of the financial year which were subjected to limited review.
8. The Figures of previous period/year have been regrouped / rearranged wherever necessary to confirm to this period/year's classification.
9. The financial results and notes are also available on the websites of the Stock Exchanges viz. www.bseindia.com and www.nseindia.com and also on the website of the Company viz. www.mcdowellholdings.co.in.

Place : Bengaluru

Date : May 30, 2016



By Authority of the Board


N Srinivasan
Director

McDowell Holdings Limited

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ANNEXURE - I

Amounts in Rs. Lakhs

Statement on Impact of Audit Qualification for the Financial Year Ended March 31, 2016

[see Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl.No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjustment for Audit Qualifications	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total Income	1,066	-	1,066
	2	Total Expenditure *	22,179	-	22,179
	3	Exceptional item	18,974	-	18,974
	3	Net Profit / (Loss)	(2,139)	-	(2,139)
	4	Earnings Per Share		-	
		a. Basic / Diluted earning per share (before exceptional item)	(148)	-	(148)
		b. Basic / Diluted earning per share (after exceptional item)	(15)	-	(15)
	5	Total Assets	5,801	20,860	26,661
	6	Total Liabilities	2,607	20,860	23,467
	7	Net Worth	3,194	-	3,194
	8	Any other financial item(s) (as felt appropriate by the management)			
		* Expenditure includes the following :			
		a. Provision for doubtful advances	1,509	-	-
		b. Advances no longer recoverable	16,573	-	-
		c. Diminution in value of investment	1,981	-	-

II. Audit Qualification (each audit qualification separately):

- a. Details of Audit Qualification:
 1. The Company has not recognised the invoked corporate guarantee amount of Rs. 208.60 crore as liabilities.
 2. Appropriateness of preparation of financial statements on going concern basis is subject to the lender revoking the invocation of Company's corporate guarantee and releasing the Company's investments offered as security for the loans.
- b. Type of Audit Qualification : Both are Qualified Opinion
- c. Frequency of qualification : Both are Repetitive since FY 2013-14
- d. For Audit Qualification(s) where the Impact is quantified by the auditor, Management's views:
Management View:
 For Qualification (1) above : The Company and the borrowers are in negotiation with the lender for restoring the credit facility.
 For Qualification (2) above : Market value of Investments held by the Company are more than adequate to meet all liabilities / contingent liabilities.
- e. For Audit Qualification(s) where the Impact is not quantified by the auditor: - NOT APPLICABLE
 - (i) Management's estimation on the Impact of audit qualification:
 - (ii) If management is unable to estimate the Impact, reasons for the same:
 - (iii) Auditors' Comments on (i) or (ii) above:

III. Signatories:

- Director :
Anil Pisharody
- Audit Committee Chairman :
N. Srinivasan
- Statutory Auditor:
S. Vishnumurthy
Proprietor, Vishnu Ram & Co.

Place : Bengaluru
Date : May 30th, 2016





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CIN: L05190KA2004PLC033485

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EXTRACT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. in Lacs)

S. No.	Particulars	Quarter ended 31.03.2016 (Unaudited)	Quarter ended 31.03.2015 (Unaudited)	Year ended 31.03.16 (Audited)	Year ended 31.03.2015 (Audited)
1	Total income from operation (net)	2.18	307.59	1,066.00	1,408.86
2	Net Profit from ordinary activities after tax	(20,504.95)	(1,181.61)	(20,743.27)	(1,197.08)
3	Net Profit for the period after tax(after Extraordinary items)	(9,041.25)	(1,181.61)	(2,139.41)	545.80
4	Equity Share Capital	1,399.23	1399.23	1,399.23	1,399.23
5	Reserves (Excluding Revaluation Reserve as shown in the balance sheet of previous year)	-	-	1,794.37	3,933.78
6	Earning per shares (before extraordinary items)	(146.54)	(8.44)	(148.25)	(8.56)
	i. Basic (Rs.)	(146.54)	(8.44)	(148.25)	(8.56)
	ii. Diluted (Rs.)				
7	Earning per shares (after extraordinary items)	(64.62)	(8.44)	(15.29)	3.90
	i. Basic (Rs.)	(64.62)	(8.44)	(15.29)	3.90
	ii. Diluted (Rs.)				

Note:

The above is an extract of the detailed format of Audited Financial Results for the Year ended 31st March, 2016 under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The full format of it along with the financial notes to accounts together with Annexure 1, in conformity with circular no. CIR/CFD/CMD/56/2016 Dated 27th May, 2016 of Security and Exchange Board of India, duly signed by the Statutory Auditor, are available on the Stock Exchange website; <http://www.bseindia.com> and <http://www.nseindia.com> and on the Company website; mcdowellholdings.co.in



By the Authority of the Board

N. Srinivasan
Director

Place: Bengaluru
Date: 30-05-2016