

# Varroc Engineering Limited

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CIN: L28920MH1988PLC047335



VARROC/SE/INT/2024-25/148

February 10, 2025

To,

The Manager- Listing  
The Listing Department,  
**National Stock Exchange of India  
Limited**  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (East), Mumbai-400051.  
NSE Symbol: VARROC

The Manager – Listing  
The Corporate Relation Department,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai-400 001.  
BSE Security Code: 541578  
[Debt: 975062]

## **Sub: Press Release - Financial Results Q3 and Nine Months FY 2024-25**

Dear Sir/Madam,

Please find enclosed a copy of Press Release on the Un-audited Financial Results (Consolidated & Standalone) for the quarter and Nine Months ended December 31, 2024.

Kindly take the same on record and note the compliance.

**For Varroc Engineering Limited**

**Ajay Sharma**  
**Group General Counsel and Company Secretary**

**Encl:** a/a

# Press Release

## **Varroc Engineering delivers double digit revenue growth on YoY** **Builds a strong order book both in India as well as overseas in 9M**

- Consolidated revenue from operations was ₹20,753 million in Q3 FY25
- PBT Margin for continued operations before exceptional and JV profit for Q3 FY25 came at 3.2%
- Strong order book especially in overseas operations to improve the operating leverage from FY27

**Pune, November 13, 2024:** Varroc Engineering Ltd. (Varroc), a global tier-I auto components group, today announced its results for the financial year ended Dec 31, 2024. Mr. Tarang Jain, CMD commented,

*“The Indian GDP has slowed down little as compare to last year but still remain strong as compared to modest global growth. The rural consumption has remained strong in past few quarters. The income tax cut by the Govt in the budget and interest rate reduction by the central bank augurs well for India, as it will help in further improving the consumption of the discretionary goods like automobiles.*

*during Q3 FY25, the Company registered revenue of Rs.20,753 million with a growth of 10.1% YoY. Various new programs which we won in the past period moved to production during the quarter. Thus, the tooling sales in this quarter was much higher. On the other hand, higher tooling cost had a one-time impact on our gross margins. Despite that our EBITDA on YoY basis remained same at 9.2% whereas on QoQ it fell by 50 basis point. Our PBT before exceptional item and JV has improved by 80 basis point on YoY mainly due to control on Capex and generation of free cash flow which is resulting in lower depreciation and interest cost. On QoQ, the PBT has fallen which is adversely impacted by forex translation losses.*

*The Company balance sheet continues to strengthen along with improvement in return ratios. The net debt of the company in 9M FY25 reduced by 1,967 million and net debt to equity reduced to 0.50X at the end of 9M FY25 from 0.64X at the end of FY24. The absolute net debt figure was 7,860 million. Annualized ROCE at the end of 9M FY25 was 19.3%.*

*The orderbook for 9M FY25 has further strengthened and we continue to build the orderbook in both India and overseas business. In 9M FY25, we have achieved net new business wins with annualized peak revenues of Rs.10,847 million. The orderbook from EV models constitutes more than 55% of these wins. It is more heartening to see business win in our overseas operations. We have two big business win for our overseas operations. First one is Front Drive & Rear Drive Inverter Electronics for Electric Passenger Vehicle. The second one is Interior ambient lighting. The start of production will take place from FY27. These wins are testament to our dedication to excellence and showcase our advanced electronics manufacturing capabilities. In Indian operation the order book which is worth mentioning is the win for power*



## Press Release

*electronics i.e. Traction Motor and Controller for 3W player. The SOP of this will also happen in next CY.*

*Our endeavor will remain to expand our presence through focused products to drive sustainable growth, improve the gross margin, keep control on fixed cost and optimize the working capital. All of this will help us to deliver value to our shareholders.”*

### **About Varroc Engineering Ltd.**

Varroc Engineering Ltd is a global tier-1 automotive component group. It was incorporated in 1988. The group manufactures and supplies electricals-electronics, polymers, metallics and exterior lighting systems to leading OEM's with end-to-end capabilities across design, development and manufacturing for two-wheeler, three-wheeler, passenger vehicles, commercial vehicle, and off-highway vehicle worldwide. The group income was ₹ 75,795 million from continued operations in FY24. The group employs more than 7,000 employees (750 + R&D Engineers), has 36 global operating manufacturing facilities supported by 7 R&D Centres, and has more than 100 patents.

Varroc Engineering Limited's shares are listed on the National Stock Exchange (VARROC) and the Bombay Stock Exchange (541578).

For further information on Varroc Engineering Limited please visit [www.varroc.com](http://www.varroc.com)

### **Contact Details**

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### **Safe Harbor**

This release contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Varroc Engineering Limited future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, several risks, uncertainties, and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Varroc Engineering Limited undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.