

# Varroc Engineering Limited

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VARROC/SE/INT/2025-26/148

February 5, 2026

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 2025-26**

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, 2025.

Kindly take the same on record and note the compliance.

## **For Varroc Engineering Limited**

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**Anil Ghatiya**  
**Company Secretary & Compliance Officer**

**Encl:** a/a

# Press Release

## **Varroc Engineering Revenue grows in double-digit YoY and reports highest ever order win**

- **Consolidated revenue from operations was ₹22,875 million in Q3 FY26 a growth of 10.2% YoY. This is highest ever quarterly Revenue post divestment**
- **PBT before Exceptional and JV profit for Q3 FY26 came at ₹1,007 million as compared to ₹661 million reported in Q3 FY25**

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**Pune, February 05, 2026:** Varroc Engineering Ltd. (Varroc), a global tier-I auto components group, today announced its results for the first quarter ended Dec 31, 2025. Mr. Tarang Jain, CMD commented,

“India delivered a robust 8.2% GDP growth in July-Sep’25, the highest in six quarters, driven by strong performance in manufacturing, services, and construction, despite global uncertainties and tariff-related pressures. The GST cut introduced during the festival season gave a significant boost to consumption and enabled strong growth for the manufacturing sector also. The inflation in India continues to moderate which augurs well for the growth as central bank can further support growth by easing the monetary policy.

Recent FTA with European Union and reductions in reciprocal Tariff by US shows that the world is recognizing the importance of India both as a market and as a reliable supply chain partner also.

The automotive industry is also preparing to deal with these uncertainties & geo-political challenges. In these uncertain times, it becomes very important for the Company to find ways to manage this uncertainty and grow simultaneously during this period. As evident from the recent stock exchange disclosures we made recently about VRS program and some large orders wins from reputed global OEMs, our Company is taking tough decisions to make the cost structure more robust and also focusing on winning large businesses in India and abroad for future growth.

Coming to the performance in this quarter, let’s first understand the industry performance in India.

In terms of Automotive production in India, during Q3 of FY26 all segment of the automotive showed strong growth on YoY basis supported by strong economic growth and GST reduction

Sequentially i.e. QoQ the growth was not as strong as YoY due to seasonality effect as generally Q3 is sluggish in comparison to Q2 due to model year change.

In the first 9 months of FY 26 also, we saw similar positive trends across all the segments

Coming to the operational performance, during Q3 FY26, the Company registered consolidated revenue of Rs.22.9 bn with a growth of 10.2% YoY, with India operations growing at 12.3%. Our EBITDA for the quarter was around 9.3% as compared to 9.2% on YoY basis. Our PBT before JV profit was 4.4% of revenue in Q3 FY26 as against 3.2% in Q3 FY25. The Revenue from supplying to EV vehicles in this quarter was 14.3% of the Revenue and which grew by 50% on YoY basis.

The India operations EBITDA and PBT were strong at 11.9% and 7.6% respectively and grew both on year-on-year basis as well as sequentially. As explained earlier, the overseas electronics, lighting and forging businesses continue to face challenges due to customer concentration and

# Press Release

macro environment. However, we are winning significant orders for the overseas electronics and lighting businesses already and the turnaround is expected to be visible from H2 of FY 27.

The net debt of the company in 9M FY26 is 4,405 million. This has increased for the first time after many quarters due to the one-time cash outflow pertaining to VSS. The net debt to equity is very comfortable at 0.26. With significant growth-enabling investments planned in coming quarters on back of strong order wins, the net debt and interest cost may only see modest improvement in coming quarters.

In 9M FY26, we achieved net new business wins with annualized peak revenues of Rs. 20,636 million. Notable, business win among these in last quarter are

- High Voltage Electronics for a range of high-performance e-powertrain components for our Romanian business from Global EV player.
- 4W Lighting (Head lamp & Small lamp) for our Thailand business from Global EV Player.
- 4W Lighting for our Indian operations from Incumbent OEM for its upcoming EV Vehicle.

All this business win helps us to fill the existing capacity and sweat our assets more. In this quarter, we also had some business win from non-automotive segment.

As emphasized earlier, in this volatile new-normal environment, we continue to strengthen our Company for long-term growth and performance by taking appropriate decisions and meticulously executing them”

## Financial numbers

₹ In million

| Particulars                                     | Q3 FY26 | Q3 FY25 | YoY     | Q2 FY26 | QoQ       |
|---|---------|---------|---------|---------|-----------|
| Revenue from operations                         | 22,875  | 20,753  | 10.2%   | 22,073  | 3.6%      |
| EBITDA  | 2,122   | 1,900   |         | 2,018   |           |
| EBITDA %  | 9.3%    | 9.2%    | 10 bps  | 9.1%    | 20 bps    |
| <b>PBT before JV and exceptional items</b>      | 1,007   | 661     |         | 912     |           |
| PBT before JV and exceptional items %           | 4.4%    | 3.2%    | 120 bps | 4.1%    | 30 bps    |
| Exceptional Items                               | 1,049   | 909     |         |         |           |
| PBT (incl. JV profits) after exceptional items* | -33     | -248    |         | 920     |           |
| PBT %   | -0.1%   | -1.2%   | 110 bps | 4.2%    | (430) Bps |
| PAT   | -113    | -452    |         | 633     |           |

\* includes Q3 FY26 Exceptional items:

- VSS ~ (Rs.799)mn - New Labour Code: ~ (Rs.225)mn

\* includes Q3 FY25 Exceptional items:

- Merger expenses ~ Rs.(113)mn - China JV provision ~ Rs.(797)mn

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# Press Release

## **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 E-mobility solutions, Body systems solutions, Lighting solutions, HMI solutions, ICE powertrain and Advanced electronics to leading OEMs 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 ₹ 81,718 million from continued operations in FY25. The group employs more than 6,100 employees (750 + R&D Engineers), has 37 global operating manufacturing facilities supported by 7 R&D Centres, and has filed more than 120 patents.

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

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

## **Contact Details**

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For further information, follow us on our social media channels.

