

Varroc Engineering Limited

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Maharashtra, India

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email: varroc.info@varroc.com
www.varroc.com
CIN: L28920MH1988PLC047335



VARROC/SE/INT/2025-26/59

August 7, 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-400 051.
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: Outcome of Board Meeting – Financial Results

Ref: Regulation 30 (read with Part A of Schedule III), Regulation 33, 52 and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Dear Sir/Madam,

This is to inform you that the Board of Directors of the Company, at its meeting held today i.e., on Thursday, August 7, 2025, which commenced at 1:00 p.m. and concluded at 2:45 p.m. has considered and approved the following items:

2. Unaudited Financial Results (Standalone and Consolidated) for the quarter ended on June 30, 2025:

Pursuant to Regulation 33 & 52 and other applicable Regulations of the Listing Regulations, we enclose the following:

- i. Statements showing the Un-audited Financial Results (Standalone and Consolidated) of the Company for the quarter ended on June 30, 2025; and
- ii. The Limited Review Reports issued by the Statutory Auditors of the Company on the aforesaid Un-audited Financial Results (Standalone and Consolidated).

Further, these Financial Results shall also be made available on the Company's website www.varroc.com and will also be published in Business Standard (English) and Loksatta (Marathi) newspapers.

We request you to please take the above on record.

Thanking you,

Yours faithfully,

For Varroc Engineering Limited

Anil Ghatiya
Company Secretary
Membership No. A-16620
Encl: a/a

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Varroc Engineering Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Varroc Engineering Limited (the "Company") for the quarter ended June 30, 2025 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. As disclosed in Note 3 to the Statement, the Company has received a settlement offer from an overseas party alleging breach of agreement in respect of certain income received and recognized by the Company under 'Revenue from operations' amounting to Rs. 209.89 million during the current quarter. Pending resolution of the matter and in the absence of sufficient appropriate audit evidence, we are unable to comment on the said income recognized in the books and any consequential impacts including on the profit before tax, tax expense, profit after tax, total comprehensive income and earnings per share for the quarter ended June 30, 2025.
5. Based on our review conducted as above, except for the possible effects of the matter described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



SRBC & COLLP

Chartered Accountants

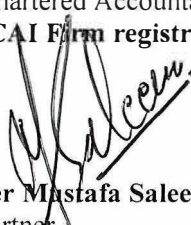
6. We draw attention to the following matters:
- Note 5 of the Statement regarding an arbitration initiated by OPmobility Lighting Holding, France ("OPmobility") at the ICC International Court of Arbitration alleging breaches of certain covenants under the Securities Purchase Agreement entered with OPmobility. Pending Company's action to contest the allegations and basis the legal opinion obtained, the management of the Company believes that no provision is considered necessary in the financial results.
 - Note 6 of the Statement which describes the effects of the GST Orders received by the Company from GST Authorities. The Company has initiated appellate proceedings against these orders, pending conclusion of which no adjustments have been made in respect of these matters in the financial results.

Our conclusion on the Statement is not modified in respect of the above matters.

For SRBC & COLLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003


per Mustafa Saleem

Partner

Membership No.: 136969



UDIN: 25136969BMNSZJ7699

Place: Pune

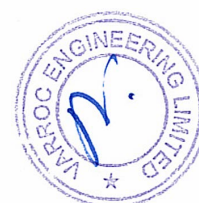
Date: August 07, 2025



Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2025

(Rs. in Million)

Sr. No.	Particulars	Quarter Ended			Year Ended
		June 30, 2025	March 31, 2025	June 30, 2024	March 31, 2025
		Unaudited	Audited (refer note 2)	Unaudited (Restated - refer note 4)	Audited
1	Revenue from operations (refer note 3)	18,428.87	19,133.36	16,946.21	73,685.82
2	Other income (refer note 8)	36.91	165.77	37.74	276.24
3	Total Income (1 + 2)	18,465.78	19,299.13	16,983.95	73,962.06
4	Expenses				
	(a) Cost of materials consumed	12,238.44	12,326.83	11,410.30	48,960.09
	(b) Changes in stock of finished goods and work-in-progress	(288.03)	308.17	(396.97)	-286.40
	(c) Employee benefits expense	1,687.76	1,590.51	1,609.26	6,693.88
	(d) Finance costs	332.01	385.28	422.62	1,622.26
	(e) Foreign exchange (gain)/loss (net)	(17.99)	(59.64)	(4.64)	(96.99)
	(f) Depreciation and amortisation expense	624.39	633.68	623.90	2,517.36
	(g) Other expenses	2,709.32	2,754.68	2,693.69	10,744.98
	Total expenses (4)	17,285.90	17,939.51	16,358.16	70,155.18
5	Profit before tax and exceptional items (3- 4)	1,179.88	1,359.62	625.79	3,806.88
6	Exceptional item (refer note 7)	-	95.42	-	208.12
7	Profit before tax (5-6)	1,179.88	1,264.20	625.79	3,598.76
8	Tax expense				
	(a) Current tax	-	-	-	-
	(b) Short/(excess) provision in respect of earlier years	-	-	-	(5.32)
	(c) Deferred tax	313.60	207.58	174.68	845.58
	Total tax expense (8)	313.60	207.58	174.68	840.26
9	Profit for the period (7-8)	866.28	1,056.62	451.11	2,758.50
10	Other comprehensive income				
A	Items that will be reclassified to profit or loss in subsequent periods (net of tax)				
	Net movement on Effective portion of Cash Flow Hedges (net of tax)	(28.26)	-	-	-
B	Items that will not be reclassified to profit or loss in subsequent periods (net of tax)				
	Remeasurement of defined benefit obligation (net of tax)	-	3.66	-	3.66
	Total other comprehensive income/(loss), (net of tax) (10)	(28.26)	3.66	-	3.66
11	Total comprehensive income for the period (9+10)	838.02	1,060.28	451.11	2,762.16
12	Paid-up equity share capital (Face value of the share is Re. 1/- each)	152.79	152.79	152.79	152.79
13	Reserves excluding revaluation reserves as per balance sheet of previous accounting year				17,724.65
14	Earnings per equity share (Nominal value per share Re. 1/- each) (not annualised) Basic & Diluted (in Rupees)	5.67	6.92	2.95	18.05





Additional disclosures as per Regulations 52(4) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

Particulars		Quarter Ended			Year Ended
		June 30, 2025	March 31, 2025	June 30, 2024 (Restated - refer Note 4)	March 31, 2025
Debt Equity ratio [refer note (i)]	(No of times)	0.39	0.48	0.68	0.48
Debt service coverage ratio [refer note (ii)]	(No of times)	2.27	2.21	1.40	1.79
Interest service coverage ratio [refer note (iii)]	(No of times)	6.43	6.17	3.96	4.90
Outstanding Redeemable Preference Shares (Qty / Value)		Not Applicable			
Capital Redemption Reserve		Not Applicable			
Debenture Redemption Reserve		Not Applicable			
Net Worth [refer note (iv)]	(Rs. In Millions)	18,715.46	17,877.44	15,566.40	17,877.44
Net profit after tax	(Rs. In Millions)	866.28	1,056.62	451.11	2,758.50
Earning per share (EPS)					
Basic EPS (Not Annualised)	(Rs)	5.67	6.92	2.95	18.05
Diluted EPS (Not Annualised)	(Rs)	5.67	6.92	2.95	18.05
Current Ratio [refer note (v)]	(No of times)	0.75	0.75	0.73	0.75
Long Term Debt To Working Capital [refer note (vi)] ^	(No of times)	(1.05)	(1.72)	(3.98)	(1.72)
Bad Debts To Account Receivable Ratio [refer note (vii)] **	(No of times)	0.00	-	-	-
Current Liability Ratio [refer note (viii)]	(No of times)	0.86	0.83	0.75	0.83
Total Debts To Total Assets [refer note (ix)]	(No of times)	0.17	0.19	0.25	0.19
Debtors Turnover [refer note (x)] *	(No of times)	3.65	4.37	4.80	16.88
Inventory Turnover [refer note (xi)] *	(No of times)	1.93	2.02	2.02	8.93
Operating Margin [refer note (xii)]	(In %)	7.91%	7.94%	5.94%	6.86%
Net Profit Margin [refer note (xiii)]	(In %)	4.70%	5.52%	2.66%	3.74%
Security cover ratio [refer note (xvii)]	(No of times)	1.72	1.57	1.37	1.57

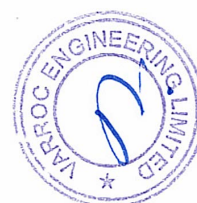
Formulae for calculation of ratios are as follows:

- (i) Debt Equity Ratio = [Total Debt / Total Equity]
- (ii) Debt service coverage ratio = [(Earning before Interest, Tax, Depreciation, Amortisation and Exceptional item)/(Interest Expense + Principal repayments of long term loan made during the period excluding prepayment))]
- (iii) Interest service coverage ratio = [(Earning before Interest, Tax, Depreciation, Amortisation and Exceptional item)/(Interest Expense)]
- (iv) Net Worth = [Equity share capital + Other equity]
- (v) Current ratio = [Current Assets / Current Liabilities]
- (vi) Long term debt to working capital = [Non Current borrowing (including current maturity of long term borrowing) / Working Capital]
- (vii) Bad debts to Accounts receivable ratio = [(Bad debts written off + Provision for bad debts charged to profit and loss account) / Average Trade Receivables]
- (viii) Current liability ratio = [Current Liability / Total Liability]
- (ix) Total debts to Total assets = [Total Debt / Total Assets]
- (x) Debtors Turnover = [Revenue from Operations / Average Debtors]
- (xi) Inventory Turnover = [(Cost of Material Consumed + Changes in stock of finished goods and work-in-progress) / Average Inventory]
- (xii) Operating Margin = [(EBIT(Earning before Interest, Tax and Exception items)-Other Income including foreign exchange (gain)/loss (net)) / Revenue from operation]
- (xiii) Net Profit Margin = [Net profit after tax / Revenue from operation]
- (xiv) Total Debt = Long Term Borrowings + Short Term Borrowings (includes Current Maturities of Long Term Borrowings)
- (xv) Total Equity = Equity Share Capital + Other Equity
- (xvi) Working Capital = [Total Current Assets - Total Current Liabilities (excluding current maturity of long term borrowing)]
- (xvii) Security cover ratio = [Book value of specific identified movable fixed assets both present and future of the company as per debenture trust deed / (NCD principal amount + Interest payable till date)]

^ Ratio is negative because net working capital is negative

* Ratio is not annualised, except for the year ended March 31, 2025

** numbers are below 0.01



Varroc Engineering Limited

Registered and Corporate Office : L-4, MIDC Area, Waluj, Chhatrapati Sambhaji Nagar (Aurangabad) 431 136, Maharashtra

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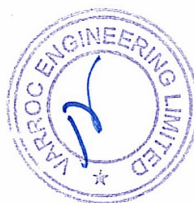
E-mail: investors@varroc.com



Notes to Standalone Financial Results:

- 1) The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 07, 2025 and were subjected to review by the Statutory Auditors
- 2) The figures for the quarter ended March 31, 2025 are the derived figures between audited figures in respect of full financial year upto March 31, 2025 and the unaudited published year-to-date figures upto December 31, 2024, being the end of the third quarter of the previous financial year which were subjected to limited review.
- 3) The Company has received a settlement offer from an overseas party alleging breach of agreement in respect of certain income received by the Company recognised under Revenue from operations (Rs. 209.89 million during the current quarter). The Company believes that it has a strong case and will take appropriate actions as necessary to protect its interests. The auditors in their review report have included a qualification in respect of this matter.
- 4) Pursuant to provisions of Section 230-232 of the Companies Act, 2013, the Board of Directors of the Company on May 17, 2024 had approved the scheme of amalgamation of Varroc Polymers Limited ('VPL') (a wholly owned subsidiary of the Company) with Varroc Engineering Limited ('VEL') with appointed date of April 01, 2024 ('the Scheme'). National Company Law Tribunal ('NCLT') approved the above scheme vide its order dated January 10, 2025 and the merger became effective on February 01, 2025 on filing of the NCLT order with the Registrar of Companies. The merger has been accounted as business combination of entities under common control as per Appendix C to Ind AS 103 - Business Combinations. Accordingly, the comparative period for the quarter ended June 30, 2024 presented in the standalone results has been restated to include the effects of this merger.
- 5) On July 7, 2025, the Company, together with its Wholly Owned Subsidiary, VarrocCorp Holding B.V., Netherlands, received an intimation from ICC International Court of Arbitration ('ICC') with respect to a Request for Arbitration initiated by OPMobility Lighting Holding, France (Erstwhile PO Lighting Systems). The request pertains to certain alleged breaches of covenants under the Securities Purchase Agreement executed between the parties on April 29, 2022, and subsequently amended on October 5, 2022, May 12, 2023, and June 15, 2023. Claims in respect of some of the breaches have been quantified at US\$ 66.41 mn plus legal costs while for others no quantification has been provided. The Company is evaluating the matter and exploring legal and contractual remedies. It intends to contest the claims and take appropriate steps to protect its interests. Based on a legal opinion obtained, the Company believes that it has grounds to defend against the said allegations and accordingly no provision has been considered in respect of this matter in these results.
- 6) a) On November 5, 2024, the Company received a GST Order from Additional Commissioner of CGST & Central Excise for appropriation of GST dues amounting to Rs. 629 million along with equivalent penalty and applicable interest relating to inappropriate classification of certain goods supplied during the period from July 1, 2017 to September 30, 2023. The Company has paid the principal demand, however, considering merits of the case, management believes that it has grounds to successfully defend and litigate the GST Order with respect to applicable interest and penalty for the aforementioned period. The Company has initiated appellate proceedings against this GST Order, pending conclusion of which no adjustments have been made in respect of this matter in the financial results for the quarter ended June 30, 2025.
b) On January 03, 2025, Varroc Polymers Limited ('VPL') (wholly owned subsidiary, now merged with the Company as explained in Note 3 above) received a GST Order from Commercial Tax Officer (Divisional GST office, Karnataka) consisting of demand for GST dues amounting to Rs. 0.03 million along with interest of Rs. 302.67 million and penalty of Rs. 564.19 million relating to inappropriate classification of certain goods supplied during the period from July 1, 2017 to September 30, 2023. VPL has paid the principal demand, however, considering merits of the case, management believes that it has grounds to successfully defend and litigate the GST Order with respect to the interest and penalty for the aforementioned period. The Company has initiated appellate proceedings against this GST Order, pending conclusion of which no adjustments have been made in respect of this matter in the financial results for the quarter ended June 30, 2025.
- 7) Exceptional items for the periods presented in the standalone results include following:
 - (a) An amount of Rs. 83.32 million and Rs. 196.02 million for the quarter and year ended March 31, 2025 respectively, pertained to estimated expenses directly attributable to merger of VPL with the Company.
 - (b) KTM AG, one of the customer of the Company, filed for insolvency and the Court admitted restructuring with self-administration in Austria. Considering these developments, the Company recognised a provision for the expected credit loss of trade receivables as exceptional item amounting to Rs. 12.10 million for the quarter and year ended March 31, 2025.
- 8) Other Income for the quarter and year ended March 31, 2025 includes dividend received from a subsidiary company of Rs. 125.79 million each.
- 9) During the year ended March 31, 2024, the Company issued 25,000 number of listed Non-Convertible Debentures ('NCD') of face value of Rs. 1,00,000 each aggregating to Rs. 2,500 million on a private placement basis. The NCDs are repayable in 16 equal quarterly instalments beginning from December 07, 2024. Further, NCD holders have a put option after 30 months and 42 months respectively from date of allotment, requiring the Company to redeem all the NCDs. The Company shall at all times until the Final Settlement Date maintain a minimum Security Cover of at least 1.1 x. The proceeds from the issue have been utilised for repayment of existing listed NCDs, other outstanding debt and for general corporate purposes. These NCDs are secured by exclusive charge by way of hypothecation on the specific identified movable properties of the Company. The asset cover in respect of the Non-Convertible Debentures as on June 30, 2025 is 1.72 times of the total due amount which is higher than the requirement of 1.10 times as specified in the Debenture Trust Deed.

Place: Pune
Date: August 07, 2025



For and on behalf of Board of Directors
Varroc Engineering Limited

Tarang Jain
Chairman and Managing Director

Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Varroc Engineering Limited**

1. We have reviewed the accompanying Statement of unaudited Consolidated Financial Results of Varroc Engineering Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its joint ventures for the quarter ended June 30, 2025 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Master Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Subsidiaries:

Durovalves India Private Limited; Varroc Connect Private Limited (erstwhile CarlQ Technologies Private Limited); Varroc European Holding B.V.; VarrocCorp Holding B.V.; Varroc Japan Co. Limited; Industria Meccanica e Stampaggio S.p.A., Italy; Varroc Italy S.p.A; Varroc Romania SA.; Varroc Vietnam Co. Ltd.; Varroc Lighting Systems Bulgaria Eood; Varroc Electronics Romania SRL; Varroc Poland s.p.z.oo; Varroc Germany GmbH; Varroc Intelligent Driving Research and Development Centre (Changzhou) Co., Ltd.; Varrec (Thailand) Company Limited; Varroc Czech Republic SRO (liquidated during the quarter ended June 30, 2025)

Joint Ventures:

Nuova CTS, Srl, Italy; Varroc Dell'Orto Private Limited



5. As disclosed in Note 3 to the Statement, the Group has received a settlement offer from an overseas party alleging breach of agreement in respect of certain income received and recognized by the Group under 'Revenue from operations' amounting to Rs. 209.89 million during the current quarter and Rs. 231.82 million during the previous year ended March 31, 2025. Pending resolution of the matter and in the absence of sufficient appropriate audit evidence, we are unable to comment on the said income recognized in the books and any consequential impacts including on the profit before tax, tax expense, profit after tax, total comprehensive income and earnings per share for the quarter ended June 30, 2025.
6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 8 and 9 below, except for the possible effects of the matter described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We draw attention to the following matters:
- a. Note 4 of the Statement regarding an arbitration initiated by OPmobility Lighting Holding, France ("OPmobility") at the ICC International Court of Arbitration alleging breaches of certain covenants under the Securities Purchase Agreement entered with OPmobility. Pending Group's action to contest the allegations and basis the legal opinion obtained, the management of the Group believes that no provision is considered necessary in the financial results.
 - b. Note 7 of the Statement which describes the effects of the GST Orders received by the Group from GST Authorities. The Group has initiated appellate proceedings against these orders, pending conclusion of which no adjustments have been made in respect of the matters in the financial results.

Our conclusion on the Statement is not modified in respect of the above matters.

8. The accompanying Statement includes the unaudited interim financial results/ statements and other financial information in respect of 4 subsidiaries, whose unaudited interim financial results/ statements include total revenues of Rs. 1,364.69 million, total net profit/(loss) after tax of (Rs. 149.43 million) and total comprehensive income/ (loss) of (Rs. 149.43 million) for the quarter ended June 30, 2025, as considered in the Statement which have been reviewed by their respective independent auditors.

The independent auditors' reports on interim financial statements/ financial information/ financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries, is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

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SRBC & COLL P

Chartered Accountants

9. Certain of these subsidiaries are located outside India, whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.
10. The accompanying Statement includes unaudited interim financial results /statements and other unaudited financial information in respect of:
- 4 subsidiaries, whose interim financial results/statements and other financial information include total revenues of Rs. 143.16 million, total net profit/(loss) after tax of (Rs. 39.69 million) and total comprehensive income/ (loss) of (Rs. 39.69 million) for the quarter ended June 30, 2025.
 - 2 joint ventures, whose interim financial results/statements includes the Group's share of net profit/(loss) of Rs. 5.41 million and Group's share of total comprehensive income of Rs. 5.41 million for the quarter ended June 30, 2025.

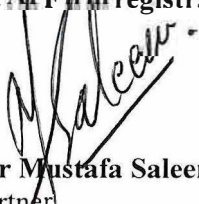
The unaudited interim financial statements/ financial information/ financial results and other unaudited financial information of the these subsidiaries and joint ventures have not been audited/reviewed by their auditor and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, joint ventures, is based solely on such unaudited interim financial statement/financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial statements/financial information/financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 8, 9 and 10 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results/financial information certified by the Management.

For SRBC & COLL P

Chartered Accountants

ICAI Firm registration number: 324982E/E300003


per **Mustafa Saleem**
Partner

Membership No.: 136969



UDIN: 25136969BMNSZI5456

Place: Pune

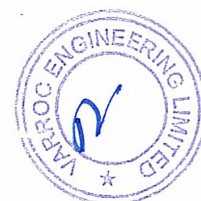
Date: August 07, 2025



Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2025

(Rs. in Million)

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2025	March 31, 2025	June 30, 2024	March 31, 2025
		Unaudited	Audited (Refer note 2)	Unaudited	Audited
1	Revenue from operations (refer note 3)	20,275.51	20,992.01	18,988.51	81,540.84
2	Other income	50.59	48.39	35.54	176.82
3	Total income (1+2)	20,326.10	21,040.40	19,024.05	81,717.66
4	Expenses				
	(a) Cost of materials consumed	12,712.38	13,073.32	12,348.00	52,391.04
	(b) Changes in inventories of work-in-progress and finished goods	0.17	390.04	(475.11)	(298.84)
	(c) Employee benefits expense	2,412.30	2,132.77	2,156.22	8,877.11
	(d) Finance costs	363.20	407.92	444.48	1,702.29
	(e) Foreign exchange (gain)/loss (net)	(26.80)	(73.89)	(16.23)	(120.39)
	(f) Depreciation and amortisation expense	810.96	814.23	798.10	3,233.21
	(g) Other expenses	3,231.75	3,262.37	3,235.52	12,804.37
	Total expenses (4)	19,503.96	20,006.76	18,490.98	78,588.79
5	Profit before exceptional item, share of profit of joint ventures and tax (3-4)	822.14	1,033.64	533.07	3,128.87
6	Exceptional item (refer note 6)	(611.94)	564.19	-	1,473.37
7	Profit before share of profit of joint ventures and tax (5-6)	1,434.08	469.45	533.07	1,655.50
8	Share of profit of Joint Ventures	5.41	3.07	26.83	37.09
9	Profit before tax (7+8)	1,439.49	472.52	559.90	1,692.59
10	Tax expense (refer note 5)				
	Current tax	43.24	45.78	32.30	151.13
	Short provision in respect of earlier year	6.09	-	5.97	8.02
	Deferred tax	315.96	196.84	180.94	836.68
	Total tax expense (10)	365.29	242.62	219.21	995.83
11	Profit for the period (9-10)	1,074.20	229.90	340.69	696.76
12	Other comprehensive income				
A	Items to be reclassified to profit or loss in subsequent periods				
	Net movement on effective portion of Cash Flow Hedges (net of tax)	(28.26)	-	-	-
	Exchange differences in translating the financial statements of foreign operations (refer note 6a)	(401.32)	13.69	(84.74)	91.05
B	Items not to be reclassified to profit or loss in subsequent periods				
	Remeasurement of defined benefit obligation (net of tax)	-	(23.17)	(0.07)	(23.24)
	Total Other comprehensive income/(loss), (net of tax) (12)	(429.58)	(9.48)	(84.81)	67.81
13	Total comprehensive income for the period (11+12)	644.62	220.42	255.88	764.57
14	Profit for the period attributable to:				
	Shareholders of the Company	1,050.62	205.74	324.06	612.30
	Non-controlling interests	23.58	24.16	16.63	84.46
15	Other comprehensive income/(loss) attributable to:				
	Shareholders of the Company	(429.58)	(9.32)	(84.81)	67.97
	Non-controlling interests	-	(0.16)	-	(0.16)
16	Total comprehensive income for the period attributable to:				
	Shareholders of the Company	621.04	196.42	239.25	680.27
	Non-controlling interests	23.58	24.00	16.63	84.30
17	Paid-up equity share capital (face value of the share is Re. 1/- each)	152.79	152.79	152.79	152.79
18	Reserves excluding revaluation reserves as per balance sheet				15,497.85
19	Earnings per equity share attributable to Owners (Nominal value per share: Re. 1/-) (not annualised)				
	Basic and diluted (in Rupees)	6.88	1.35	2.12	4.01



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Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

Particulars		Quarter ended			Year ended
		June 30, 2025	March 31, 2025	June 30, 2024	March 31, 2025
Debt Equity ratio [refer note (i)]	(No. of times)	0.50	0.59	0.72	0.59
Debt Service Coverage Ratio [refer note (ii)]	(No. of times)	2.01	2.01	1.45	1.76
Interest Service Coverage Ratio [refer note (iii)]	(No. of times)	5.51	5.54	4.06	4.76
Outstanding Redeemable Preference Shares (Qty / Value)		Not Applicable			
Capital Redemption Reserve		Not Applicable			
Debenture Redemption Reserve		Not Applicable			
Net Worth [refer note (iv)]	(Rs. in Million)	16,623.98	15,979.36	15,517.71	15,979.36
Net Profit after Tax	(Rs. in Million)	1,074.20	229.90	340.69	696.76
Earning per share (EPS)					
Basic EPS (Not Annualised)	(Rs.)	6.88	1.35	2.12	4.01
Diluted EPS (Not Annualised)	(Rs.)	6.88	1.35	2.12	4.01
Current Ratio [refer note (v)]	(No. of times)	0.89	0.77	0.79	0.77
Long Term Debt to Working Capital Ratio [refer note (vi)] ^	(No. of times)	(3.48)	(1.59)	(6.37)	(1.59)
Bad Debts to Account Receivable Ratio [refer note (vii)] **	(No. of times)	0.00	(0.00)	0.00	0.00
Current Liability Ratio [refer note (viii)]	(No. of times)	0.85	0.83	0.75	0.83
Total Debts to Total Assets Ratio [refer note (ix)]	(No. of times)	0.18	0.20	0.24	0.20
Debtors Turnover Ratio [refer note (x)] *	(No. of times)	3.06	3.65	3.73	13.92
Inventory Turnover Ratio [refer note (xi)] *	(No. of times)	1.65	1.74	1.68	7.40
Operating Margin [refer note (xii)]	(in %)	5.46%	6.28%	4.88%	5.56%
Net Profit Margin [refer note (xiii)]	(in %)	5.30%	1.10%	1.79%	0.85%

Formulae for calculation of ratios are as follows:

(i) Debt Equity Ratio = [Total Debt / Total Equity]

(ii) Debt Service Coverage Ratio = [(Earnings before Interest, Tax, Depreciation & Amortisation expense and Exceptional Item)/(Interest Expense + Principal repayments of long term loan made during the period excluding prepayment)]

(iii) Interest Service Coverage Ratio = [(Earnings before Interest, Tax, Depreciation & Amortisation expense and Exceptional Item)/(Interest Expense)]

(iv) Net Worth = [Equity Share Capital + Other equity + Non-controlling Interests]

(v) Current Ratio = [Current Assets / Current Liabilities]

(vi) Long Term Debt to Working Capital = [Non Current Borrowings (including Current Maturities of Long Term Borrowings) / Working Capital]

(vii) Bad Debts to Accounts Receivable Ratio = [(Bad debts written off + Provision for bad debts charged to Profit and Loss account) / Average Trade Receivables]

(viii) Current Liability Ratio = [Current Liability / Total Liability]

(ix) Total Debts to Total assets = [Total Debt / Total Assets]

(x) Debtors Turnover = [Revenue from Operations / Average Debtors]

(xi) Inventory Turnover = [(Cost of Material Consumed + Changes in stock of finished goods and work-in-progress) / Average Inventory]

(xii) Operating Margin = [(Earnings before Interest, Tax, Exceptional Item and Share of Profit from Joint Venture - Other Income +/- foreign exchange (gain)/loss (net)) / Revenue from Operations]

(xiii) Net Profit Margin = [Net Profit after Tax / Revenue from Operations]

(xiv) Total Debt = [Long Term Borrowings + Short Term Borrowings (includes Current Maturities of Long Term Borrowings)]

(xv) Total Equity = [Equity Share Capital + Other Equity]

(xvi) Working Capital = [Total Current Assets - Total Current Liabilities (excluding Current Maturities of Long Term Borrowings)]

* Ratio not annualised, except for the year ended March 31, 2025.

** numbers are below 0.01

^ Ratio is negative because net working capital is negative.

^^ Current Assets are excluding assets held for sale.



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Unaudited Consolidated Segment wise Revenue, Results, Assets and Liabilities

(Rs. in Million)

Particulars	Quarter ended			Year ended
	June 30, 2025	March 31, 2025	June 30, 2024	March 31, 2025
	Unaudited	Audited (Refer note 2)	Unaudited	Audited
1) Segment Revenue				
(i) Automotive (refer note 3)	19,723.60	20,356.25	18,598.89	79,338.94
(ii) Others	551.91	635.76	389.62	2,201.90
Revenue from operations	20,275.51	20,992.01	18,988.51	81,540.84
2) Segment Results				
(i) Automotive (refer note 6c & 6d)	1,241.59	1,326.05	1,045.82	4,811.26
(ii) Others	(85.93)	(29.99)	(75.01)	(257.13)
Total segment results	1,155.66	1,296.06	970.81	4,554.13
Add/ (Less) :				
(a) Finance Cost	(363.20)	(407.92)	(444.48)	(1,702.29)
(b) Net unallocated (expenditure) / income (refer note 6a & 6b)	647.03	(415.62)	33.57	(1,159.25)
Profit before tax	1,439.49	472.52	559.90	1,692.59
3) Segment Assets				
(i) Automotive	41,035.72	38,310.66	36,080.24	38,310.66
(ii) Others	2,285.54	2,260.65	2,055.33	2,260.65
Total segment assets	43,321.26	40,571.31	38,135.57	40,571.31
Add : Unallocated (refer note 5 & 6a)	2,714.28	6,147.82	8,241.90	6,147.82
Total assets	46,035.54	46,719.13	46,377.47	46,719.13
4) Segment Liabilities				
(i) Automotive	20,379.13	20,582.86	18,740.54	20,582.86
(ii) Others	644.66	590.30	474.80	590.30
Total segment liabilities	21,023.79	21,173.16	19,215.34	21,173.16
Add : Unallocated (refer note 5)	8,387.77	9,566.61	11,644.42	9,566.61
Total liabilities	29,411.56	30,739.77	30,859.76	30,739.77

Notes to Consolidated Financial Results:

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 07, 2025 and were subjected to review by the Statutory Auditors.
- The figures for the quarter ended March 31, 2025 are the derived figures between the audited figures in respect of full financial year upto March 31, 2025 and the unaudited published year-to-date figures upto December 31, 2024, being the date of end of the third quarter of the previous financial year which was subjected to limited review.
- The Group has received a settlement offer from an overseas party alleging breach of agreement in respect of certain income received by the Group recognised under Revenue from operations (Rs. 209.89 million during the current quarter and Rs. 231.82 million during the year ended March 31, 2025). The Group believes that it has a strong case and will take appropriate actions as necessary to protect its interests. The auditors in their review report have included a qualification in respect of this matter.
- On July 7, 2025, the Group received an intimation from ICC International Court of Arbitration with respect to a Request for Arbitration initiated by OPmobility Lighting Holding, France (Erstwhile PO Lighting Systems). The request pertains to certain alleged breaches of covenants under the Securities Purchase Agreement executed between the parties on April 29, 2022, and subsequently amended on October 5, 2022, May 12, 2023, and June 15, 2023. Claims in respect of some of the breaches have been quantified at US\$ 66.41 million plus legal costs while for others no quantification has been provided. The Group is evaluating the matter and exploring legal and contractual remedies. It intends to contest the claims and take appropriate steps to protect its interests. Based on a legal opinion obtained, the Group believes that it has grounds to defend against the said allegations and accordingly no provision has been considered in respect of this matter in these results.



Varroc Engineering Limited

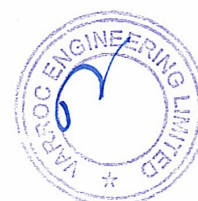
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- 5 Pursuant to provisions of Section 230-232 of the Companies Act, 2013, the Board of Directors of the Company on May 17, 2024 had approved the scheme of amalgamation of Varroc Polymers Limited ('VPL') (a wholly owned subsidiary of the Holding Company) with Varroc Engineering Limited ('VEL') (the Holding Company) with appointed date of April 01, 2024 ('the Scheme'). National Company Law Tribunal ('NCLT') approved the above scheme vide its order dated January 10, 2025 and the merger became effective on February 01, 2025 on filing of the NCLT order with the Registrar of Companies. The merger has been accounted as business combination of entities under common control as per Appendix C to Ind AS 103- Business Combinations.
- The aforesaid scheme has no impact on the Consolidated Financial Results of the Group since the scheme of merger was between the Holding Company and its wholly owned subsidiary, except for tax expense for the quarter ended June 30, 2024 which has been restated to include the effects of this merger.
- 6 Exceptional items for the periods presented in the consolidated results include following:
- 6a On December 11, 2024, the Group received an order from ICC International Court of Arbitration ('ICC') in respect of the ongoing arbitration between Varroc Corp Holding B.V. ('VCHBV') jointly with Varroc Engineering Limited and Beste Motor Co. Ltd. ('TYC BVI Entity') jointly with TYC Brother Industrial Co. Ltd ('TYC Group') and Varroc TYC Corporation ('VTYC' or 'China JV'), wherein VCHBV has been directed to transfer its 50% shareholding in VTYC to TYC BVI Entity for a consideration of RMB 310.50 million.
- Accordingly, the Group assessed that its investment in VTYC (a joint venture accounted for under the equity method) satisfies the criteria prescribed under Ind AS 105 'Non-Current Assets Held for Sale and Discontinued Operations' for classification as 'Assets held for sale' and had written down this investment to Rs. 3,395.15 million which is its fair value less costs to sell. The resulting estimated impairment loss of Rs. 10.34 million and Rs. 806.82 million for the quarter and year ended March 31, 2025 respectively was disclosed as an Exceptional item in the financial results. The Group received above consideration on May 07, 2025 and transferred its investments in China JV. On account of such disposal, the cumulative exchange gains pertaining to China JV of Rs. 611.94 million, which had been recognised in Other Comprehensive Income and accumulated in foreign currency translation reserve during the previous periods, have been reclassified to the Statement of Profit or Loss. These have been disclosed as an exceptional item and reduced from Other Comprehensive Income for the quarter ended June 30, 2025.
- 6b On April 21, 2025, the Group received final order from ICC in respect of the above arbitration wherein the Group was directed to pay to TYC Group legal costs pertaining to the arbitration incurred by TYC Group amounting to Rs. 439.91 million. The group recognised a provision for this cost as at March 31, 2025 and the same was disclosed as an Exceptional item in the financial results for the quarter and year ended March 31, 2025.
- 6c Exceptional item also included estimated expenses directly attributable to merger of VPL with the Company amounting to Rs. 83.32 million and Rs. 196.02 million for the quarter and the year ended March 31, 2025 respectively.
- 6d KTM AG group, one of the customer of the Group, filed for insolvency and the Court admitted restructuring with self-administration in Austria. Considering these developments, the Group recognised a provision for expected credit loss of trade receivables of KTM AG Group amounting to Rs. 30.62 million in the quarter and year ended March 31, 2025.
- 7 a) On November 5, 2024, the Group received a GST Order from Additional Commissioner of CGST & Central Excise for appropriation of GST dues amounting to Rs. 629 million along with equivalent penalty and applicable interest relating to inappropriate classification of certain goods supplied during the period from July 1, 2017 to September 30, 2023. The Group has paid the principal demand, however considering merits of the case, management believes that it has grounds to successfully defend and litigate the GST Order with respect to applicable interest and penalty for the aforementioned period. The Group has initiated appellate proceedings against this GST Order, pending conclusion of which no adjustments have been made in respect of this matter in the financial results for the quarter ended June 30, 2025.
- b) On January 03, 2025, the Group received a GST Order from Commercial Tax Officer (Divisional GST office, Kamataka) consisting of demand for GST dues amounting to Rs. 0.03 million along with interest of Rs. 302.67 million and penalty of Rs. 564.19 million relating to inappropriate classification of certain goods supplied during the period from July 1, 2017 to September 30, 2023. The Group has paid the principal demand, however, considering merits of the case, management believes that it has grounds to successfully defend and litigate the GST Order with respect to the interest and penalty for the aforementioned period. The Group has initiated appellate proceedings against this GST Order, pending conclusion of which no adjustments have been made in respect of this matter in the financial results for the quarter ended June 30, 2025.
- 8 During the year ended March 31, 2024, the Company issued 25,000 number of listed Non-Convertible Debentures ('NCD') of face value of Rs. 1,00,000 each aggregating to Rs. 2,500 million on a private placement basis. The NCDs are repayable in 16 equal quarterly instalments beginning from December 07, 2024. Further, NCD holders have a put option after 30 months and 42 months respectively from date of allotment, requiring the Company to redeem all the NCDs. The Company shall at all times until the Final Settlement Date maintain a minimum Security Cover of at least 1.1 x. The proceeds from the issue have been utilised for repayment of existing listed NCDs, other outstanding debt and for general corporate purposes. These NCDs are secured by exclusive charge by way of hypothecation on the specific identified movable properties of the Company. The asset cover in respect of the Non-Convertible Debentures as on June 30, 2025 is 1.72 times of the total due amount which is higher than the requirement of 1.10 times as specified in the Debenture Trust Deed.



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- 9 The 'Automotive' segment consists of the business of automobile products consisting of auto parts for two-wheelers, three-wheelers and four-wheelers and related design, development and engineering activities and other services. 'Others' comprise of forging components for off road vehicles and components for mining and oil drilling industry which is below the thresholds for reporting as separate operating segment. Investment in joint ventures and corresponding share of profit/loss from joint ventures is considered under unallocated assets and profit/loss respectively.

**For and on behalf of Board of Directors
Varroc Engineering Limited**

A handwritten signature in blue ink, appearing to be 'Tarang Jain'.

**Tarang Jain
Chairman and Managing Director**

Place : Pune

Date : August 07, 2025