

06th March, 2025

To,
The Manager,
BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001

To,
The Manager
Listing Department
The National Stock Exchange of India Limited
“Exchange Plaza”, BKC, Bandra (East),
Mumbai 400 051

**Scrip Code: 544367; Scrip Symbol: QPOWER
ISIN: INE0SII01026**

Dear Sir(s)/Madam,

Subject: Intimation for acquisition of 5,22,750 equity shares representing 51% of the Equity Share Capital of Mehru Electrical and Mechanical Engineers Pvt. Ltd. from the promoters of Mehru.

We would like to inform you that today i.e., 06th March, 2025, the Company has executed and completed the terms of the Share Purchase Agreement which was entered into on 25th April, 2024 for acquisition of 5,22,750 equity shares of face value of Rs.10/- each, representing 51% of the Equity Share Capital of Mehru Electrical and Mechanical Engineers Private Limited (“Mehru”) from the Promoters of Mehru.

Consequently, Mehru Electrical and Mechanical Engineers Private Limited has become 51% subsidiary of Quality Power Electrical Equipments Limited. Mr. P T Pandyan, Chairman and Managing Director of the Company has been nominated to the Board of Directors of Mehru and Mr. Shailesh Kumar Mishra, an Independent Director of the Company has been nominated as an Independent Director on the Board of Mehru to comply with applicable provisions of SEBI LODR Regulations w.r.t. Corporate Governance.

This intimation is given pursuant to provisions of Regulation 30 and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with reference to one of our object of Initial Public Offer (IPO) stated in Prospectus of the Company. (Refer Page No.76 of the Prospectus enclosed as **Annexure I**)

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November 2024 are included in **Annexure II**, enclosed herewith.

A media release (Press release) on the said subject is also annexed as **Annexure III**.

Kindly take the same on your records.

Thanking you,

For Quality Power Electrical Equipments Limited

Deepak Suryavanshi
Company Secretary & Compliance Officer
ICSI Membership No.: A27641

SECTION V – PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue and the Offer for Sale. The Fresh Issue comprises of 5,294,100* Equity Shares aggregating to ₹ 2,249.99 million to be issued by our Company and the Offer for Sale comprises of 14,910,500 Equity Shares aggregating to 6,336.96* million by the Promoter Selling Shareholder. For details, see “Summary of the Offer Document” and “The Offer” on pages 16 and 52, respectively.

*Subject to finalization of the Basis of Allotment.

Offer for Sale

The Promoter Selling Shareholder will be entitled to her respective portion of the proceeds of the Offer for Sale, after deducting the portion of Offer related expenses and relevant taxes thereon, as applicable. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

Fresh Issue

The details of the proceeds of the Fresh Issue are set forth below:

Particulars	Estimated amount (in ₹ million)
Gross Proceeds of the Fresh Issue	2,249.99
(Less) Expenses in relation to the Fresh Issue	(196.06)
Net Proceeds	2,053.93

Requirement of funds

The Net Proceeds of the Fresh Issue are proposed to be utilized in the following manner:

1. Payment of the purchase consideration for the acquisition of Mehru Electrical and Mechanical Engineers Private Limited;
2. Funding capital expenditure requirements of our Company for purchase plant and machinery; and
3. Funding inorganic growth through unidentified acquisitions and other strategic initiatives and general corporate purposes.

(collectively, the “Objects”)

In addition to the aforementioned Objects, our Company will receive the benefits of listing of its Equity Shares on the Stock Exchanges including enhancement of our Company’s brand name and creating a public market for our Equity Shares in India.

The main objects and the objects incidental and ancillary to the main objects of our MoA enables our Company (i) to undertake our existing business activities; (ii) to undertake activities for which funds are being raised by us through the Fresh Issue; and (iii) to undertake the activities for which funds are earmarked towards general corporate purposes.

Utilization of Net Proceeds

The Net Proceeds are proposed to be utilized in the following manner:

(in ₹ million)		
Sr. No.	Particulars	Estimated amount (in ₹ million)
1.	Payment of the purchase consideration for the acquisition of Mehru Electrical and Mechanical Engineers Private Limited	1,170.00
2.	Funding capital expenditure requirements of our Company for purchase plant and machinery	272.17
3.	Funding inorganic growth through unidentified acquisitions and other strategic initiatives and general corporate purposes	611.76 [#]
	Total	2,053.93

[#]The amount to be utilised for unidentified acquisitions and general corporate purposes shall not exceed 35% of the Gross Proceeds. The amount utilised for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.

Details in terms of the above referred provisions of the SEBI LODR Regulations, read with circular dated November 11, 2024, issued by the Securities and Exchange Board of India, bearing ref. no. SEBI/HO/CFD/PoD2/CIR/P/0155:

S. No.	Particulars	Details
a)	Name of the target entity, details in brief such as size, turnover, etc.	Mehru Electrical and Mechanical Engineers Private Limited (CIN: U29299RJ1995PTC010898), a Company registered under the Companies Act, 1956 and having its registered office at E-1247, Ind. Area, Bhiwadi, Dist. Alwar, Rajasthan, India 301019 Turnover as on 31 st March 2024 = Rs. 219.34 Crs.
b)	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”.	The acquisition does not fall within the purview of related party transaction(s). As on date the promoter/promoter group/group companies of the Company (i.e. acquirer) do not have any interest in Mehru. The Company (i.e. acquirer) holds 5,22,750 equity shares of Rs.10/- each, representing 51% equity share of capital of the Target Company and the relation between Acquirer and Target Company will be Holding Company & Subsidiary Company respectively.
c)	Industry to which the entity being acquired belongs;	Mehru is primarily in the business of manufacturing electrical equipment.
d)	Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	<ol style="list-style-type: none"> 1. Enhanced product development and Expanded product offerings. 2. Skilled Workforce 3. Geographic Expansion 4. Capacity for Large-Scale Projects. 5. Complementary Product Offerings 6. Advanced R&D & Engineering 7. Large-Scale Manufacturing 8. Market Expansion 9. Supply Chain & Cost Optimization
e)	Brief details of any governmental or regulatory approvals required for the acquisition	Not Applicable

f)	Indicative time period for completion of the acquisition.	<i>This transaction has already been initiated before the Listing of the Company.</i> <i>The Share Purchase Agreement was entered into on 25.04.2024 and completed today i.e. 06.03.2025.</i>
g)	Consideration - whether cash consideration or share swap or any other form and details of the same	Cash consideration
h)	Cost of acquisition and/or the price at which the shares are acquired.	Cost of acquisition is INR 120,00,00,000/- (Rupees One Hundred Twenty Crore) which is Rs.2,295.55 per equity share of face value of Rs.10/- each.
i)	Percentage of shareholding / control acquired and/or number of shares acquired	5,22,750 equity shares representing 51% of the Equity Share Capital of Mehru Electrical and Mechanical Engineers Private Limited (Mehru).
j)	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	MEHRU is one of the leading suppliers of Instrument Transformers. MEHRU was incorporated on October 13, 1995, is an ISO 9001:2008, ISO 14001:2004 and 17025:2005 certified Company, manufacturing Instrument Transformers upto 500KV Last three years turnover (Rs. in Crs.) <ul style="list-style-type: none">) FY 2024 - Rs. 219.34 Crs) FY 2023 - Rs. 203.05 Crs.) FY 2022 - Rs. 189.24 Crs

Press Release

Quality Power Acquires Majority stake in Mehru Electrical & Mechanical Engineers

- ***Acquires 51% of the share capital of Mehru for a total cash consideration of Rs. 120 crore, through a Share Purchase Agreement.***
- ***Acquisition Will Enhance High-Voltage Instrument Transformer capabilities and Expand Global Market Presence***
- ***Technology, USP and Global Market Potential***

India 6th March 2025: BSE & NSE listed Quality Power Electrical Equipments Limited (QPEEL) (BSE: 544367; NSE: QPOWER) is pleased to announce the successful majority acquisition of Mehru Electrical and Mechanical Engineers Pvt Ltd (MEMEPL), a leading manufacturer of high-voltage instrument transformers for utilities, industries and power transmission networks. This acquisition represents a strategic milestone, aligning with Quality Power's long-term vision to expand its technological capabilities, USP, manufacturing scale and global market reach.

About Quality Power

Quality Power is a leading manufacturer of high-voltage electrical equipment and solutions, providing Reactors, Transformers, Line traps, FACTS and Power Quality solutions. With multiple manufacturing facilities in India and Turkey, the Company has installations in over 100 plus countries for equipment upto 765kV systems. Quality Power was listed on the Bombay Stock Exchange and National Stock Exchange on 24th February 2025.

About Mehru

Mehru Electrical and Mechanical Engineers, established in 1995 and headquartered in Bhiwadi, Rajasthan, has a rich legacy in precision-engineered instrument transformers. The company specializes in manufacturing Current Transformers (CTs), Potential Transformers (PTs), Inductive Voltage Transformers (IVTs), and Capacitor Voltage Transformers (CVTs), offering both oil-filled and dry-type instrument transformers for transmission grids up to 500 kV and beyond. Mehru operates an advanced manufacturing facility Bhiwadi (Near Delhi) in the NCR region, with well-established R&D capabilities and eight National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited test laboratories, ensuring the highest quality testing standards and performance validation. Situated on a 5-acre land parcel, the facility provides scope for future expansion.

The company's strong focus on R&D and innovation has positioned it as a preferred supplier of high-voltage electrical equipment to power utility, industrial, and infrastructure sectors across India and international markets.

Transaction Overview

Quality Power has acquired 51% of the share capital of Mehru for a total cash consideration of Rs. 120 crore, through a Share Purchase Agreement. Trilegal advised Quality Power on the transaction documentation and legal due diligence.

Commenting on the Acquisition of Mehru, Mr. Bharanidharan Pandyan, Joint Managing and Whole-time director, Quality Power, said:

*"We are pleased to announce the majority acquisition of **Mehru Electrical & Mechanical Engineers**, a company with an outstanding legacy in high-voltage instrument transformers. This was one of the main objectives of the recently concluded IPO and I am pleased to share that we have honoured our commitment with lightening speed. From a product portfolio stand point, this strategic move reinforces **Quality Power's commitment to cutting-edge technology, precision engineering, and market leadership in high-voltage equipment.***

*Mehru's expertise in **oil-filled and dry-type instrument transformers up to 500kV** aligns perfectly with our vision of delivering world-class power equipments solutions. With the growing global demand for grid stability, FACTS, and renewable integration, this acquisition positions us strongly in a **multi-billion-dollar market** energy products market where the barriers to entry are high due to stringent technical requirements and regulatory compliance.*

*What makes this acquisition even more compelling is **Mehru's highly skilled workforce**, whose deep domain knowledge and engineering excellence have earned customer trust over decades. By integrating Mehru's technology with our advanced manufacturing and global supply chain, **we are creating a powerhouse of innovation, reliability, and customer-centric solutions.***

*With this synergy, **Quality Power is now better equipped than ever to serve utilities, industries, and infrastructure projects worldwide with superior, high-precision electrical equipment.**"*

Mehru Transaction Strategic Rationale

1. **Enhanced Product Development:** Accelerates innovation through advanced R&D capabilities, driving the development of next-generation high-voltage equipment, including smart monitoring and digital integration solutions
2. **Expanded Product Offerings:** Strengthens Quality Power's portfolio by integrating Mehru's expertise in instrument transformers with its existing range of shunt reactors, power transformers, line traps, and FACTS (Flexible AC Transmission Systems) solutions, enabling comprehensive high-voltage equipment offerings
3. **Turnkey Solutions for Metering and Protection Applications:** Expands capabilities to provide fully integrated solutions for power grids, renewables, and industrial applications.
4. **Skilled Workforce:** Gains access to Mehru's team of over 100 engineers, reinforcing a total skilled workforce of more than 500 personnel to drive technology advancements and large-scale project execution
5. **Geographic Expansion:** Extends market reach through Mehru's established customer base in Southeast Asia and Africa, further enhancing global presence
6. **Capacity for Large-Scale Projects:** Strengthens manufacturing capabilities, optimizing production capacity and operational resilience to efficiently execute large-scale projects in power transmission and distribution

Synergies Driving Growth and Innovation

1. **Complementary Product Offerings:** Mehru’s precision-engineered instrument transformers enhance Quality Power’s power quality and transmission solutions, creating a fully integrated grid equipment portfolio
2. **Advanced R&D & Engineering:** Mehru’s state-of-the-art testing facilities, robust R&D capabilities, and skilled engineering team strengthen Quality Power’s innovation-driven approach, particularly in high voltage products business
3. **Large-Scale Manufacturing:** The integration of Mehru’s expansive production facilities expands Quality Power’s manufacturing footprint, supporting both domestic and international demand
4. **Market Expansion:** Mehru’s strong relationships with Power Grid Corporation of India (PGCIL), state utilities, EPC contractors, and global customers open new avenues for growth for complimentary Quality Power products
5. **Supply Chain & Cost Optimization:** The combination of Mehru’s manufacturing expertise with Quality Power’s vertically integrated supply chain enhances cost efficiencies, project execution, and product reliability

New Product Development & Future Collaborations

Quality Power is committed to developing next-generation instrument transformers with enhanced accuracy, smart monitoring capabilities, and digital integration for modern grid applications. The combined R&D teams will explore cutting-edge solutions, including sensor-based transformers, AI-driven predictive maintenance, and hybrid insulation technologies, aligning with global trends in smart grids and grid automation

Quality Power Acquisition Track Record

Quality Power has a long standing of successful strategic acquisitions:

2025: Mehru Electrical and Mechanical Engineers Pvt. Ltd. (51% stake): reinforced expertise in high-voltage instrument transformers, strengthening leadership in power grid solutions ([High Voltage](#))

2022: Toshiba Transmission & Distribution Systems (India) Private Limited (Select Manufacturing Asset & Test Equipments): acquired key machinery to enhance high-voltage product manufacturing ([High Voltage](#)).

2022: Electrical Power Equipment Company (EPEC, Bengaluru): expanded offerings in medium-voltage instrument transformers ([Medium Voltage](#)).

2022: Nebeskie Labs Private Limited (15.45% stake) enhanced real-time monitoring and analytics capabilities ([Low Voltage](#)).

2019: S&S Transformers and Accessories Private Limited strengthened medium-voltage transformer production ([Medium Voltage](#)).

2011: Endoks Enerji Anonim Şirketi (Turkey): strengthened expertise in digital energy solutions ([Low Voltage](#)).

For further information, please contact:



Deepak Suryavanshi
Company Secretary and Compliance Officer
Quality Power Electrical Equipments Ltd
cs@qualitypower.co.in

Zenobia Vaz
Adfactors PR
+91 96534 80411
Zenobia.vaz@adfactorspr.com

Safe Harbour Statement:

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward- looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.