

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](#)).

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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.