

03rd September, 2025

To
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400 051

NSE Symbol: QPOWER

ISIN: INE0SII01026

Dear Sir/ Ma'am,

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

BSE Scrip Code: 544367

Subject: Annual Report for the financial year 2024-2025 with Notice of Annual General Meeting.

Pursuant to the provisions of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2024-25 including Notice of 24th Annual General Meeting (AGM) of the Company which is being sent to the Members through electronic means who have registered their e-mail addresses with the Depositories.

The Annual Report 2024-25 containing Notice is also uploaded on the website of the Company at www.qualitypower.com and the weblink is https://qualitypower.com/wp-content/uploads/2025/09/Quality-Power_AR-2024-2025.pdf

We request you to take the above on record and treat the same as compliance under the applicable provisions of the SEBI Listing Regulations.

For QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED

Deepak Ramchandra Suryavanshi
Company Secretary and Compliance Officer
ICSI Membership No.: A27641
Place: Sangli

QUALITY POWER

POWERING
WHAT'S
NEXT

Annual Report
2024-25

Strength.Stability.Strategy.

CORPORATE OVERVIEW

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Forward-looking Statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

At Quality Power, our journey is defined by three values that stand at the heart of everything we do - Strength, Stability and Strategy. They shape the way we build world-class technology, the way we stand firm through challenges, and the way we prepare for the future of energy.

Strength comes from our deep technology expertise, our drive for continual innovation, and the confidence of employees spread across India and abroad. Our ability to design and manufacture high-voltage electrical equipment for the most critical AC and DC grids has made us a trusted partner in powering global networks.

Stability is reflected in how we have navigated challenges, expanded capacities, and sustained growth, always without compromising on quality or the values we were founded on. By reinforcing existing technologies through continuous R&D and adding new capabilities through subsidiaries, we have built a foundation strong enough to adapt to change and deliver consistent performance.

Strategy defines the way we look ahead by investing early in emerging technologies, scaling responsibly, and expanding across global markets.

As opportunities grow in renewable integration, HVDC, and grid modernisation, we are aligning our strengths with the needs of tomorrow's energy systems.

Even in uncertain times, we remain forward-looking and optimistic.

Guided by our values, powered by the collective experience and intellect of our global team, and strengthened by our vision, we are prepared to take bold strides.

Who We Are

Powering Progress,
Powering the Next

At Quality Power Electrical Equipments Limited (QPEEL), our expertise lies in designing, developing, and delivering high-voltage electrical equipment and integrated solutions that strengthen grid connectivity, enhance energy efficiency, and meet the world’s growing demand for sustainable power.

From coil products to transformers, instrument transformers to line traps, FACTS systems to BESS solutions, automation technologies to edge computing, we provide the building blocks of modern, reliable grids.

Yet, we are more than products. We are relationships. With customers across 100+ countries and several Fortune 500 companies, we have built enduring partnerships founded on trust, technical competence, and our ability to deliver at scale.

The Power of One Quality Power

Quality Power today is strengthened by the collective expertise of its group companies:



Quality Power Electrical Equipments Limited
(Sangli & Kochi, India)

A global technology leader in high-voltage coil products for grid integration such as HVDC, FACTS, and power quality in AIS substations. The company also manufactures a wide range of medium-voltage oil-filled and dry-type transformers for applications in traction, energy storage, and HVDC systems.



Mehru Electrical and Mechanical Engineers (Bhiwadi, India)

A leader in instrument transformers (CTs, PTs, CVTs, IVTs) up to 500kV, Mehru brings precision high-voltage magnetic expertise to our portfolio.



Endoks Energy Systems
(Ankara, Turkey)

Specialists in FACTS and automation solutions, Endoks enables us to provide integrated power quality and grid stability systems for renewables, steel plants, and utilities.



Nebeskie (Chennai, India)

An IoT-based edge computing company focused on connected substation technologies, enabling localised and digital-first solutions that bring us closer to global customers.

Continuous Innovation

What sets us apart is not scale alone, but our unwavering focus on continuous innovation. Every factory expansion, every R&D initiative, every acquisition is anchored in a single purpose to solve tomorrow’s challenges before they arise.

Our NABL-accredited ISO 17025:2017 test laboratory, capable of system testing up to 765kV, is a reflection of this philosophy. Recognised globally, it ensures that our products undergo the most rigorous validation before entering the world’s most demanding grids.

Innovation also means anticipating change investing early in renewable integration, HVDC corridors, offshore wind, and grid modernisation. By combining decades of engineering experience with new digital and technological capabilities, we remain agile, relevant, and future-ready in a rapidly evolving energy landscape.

Looking Ahead

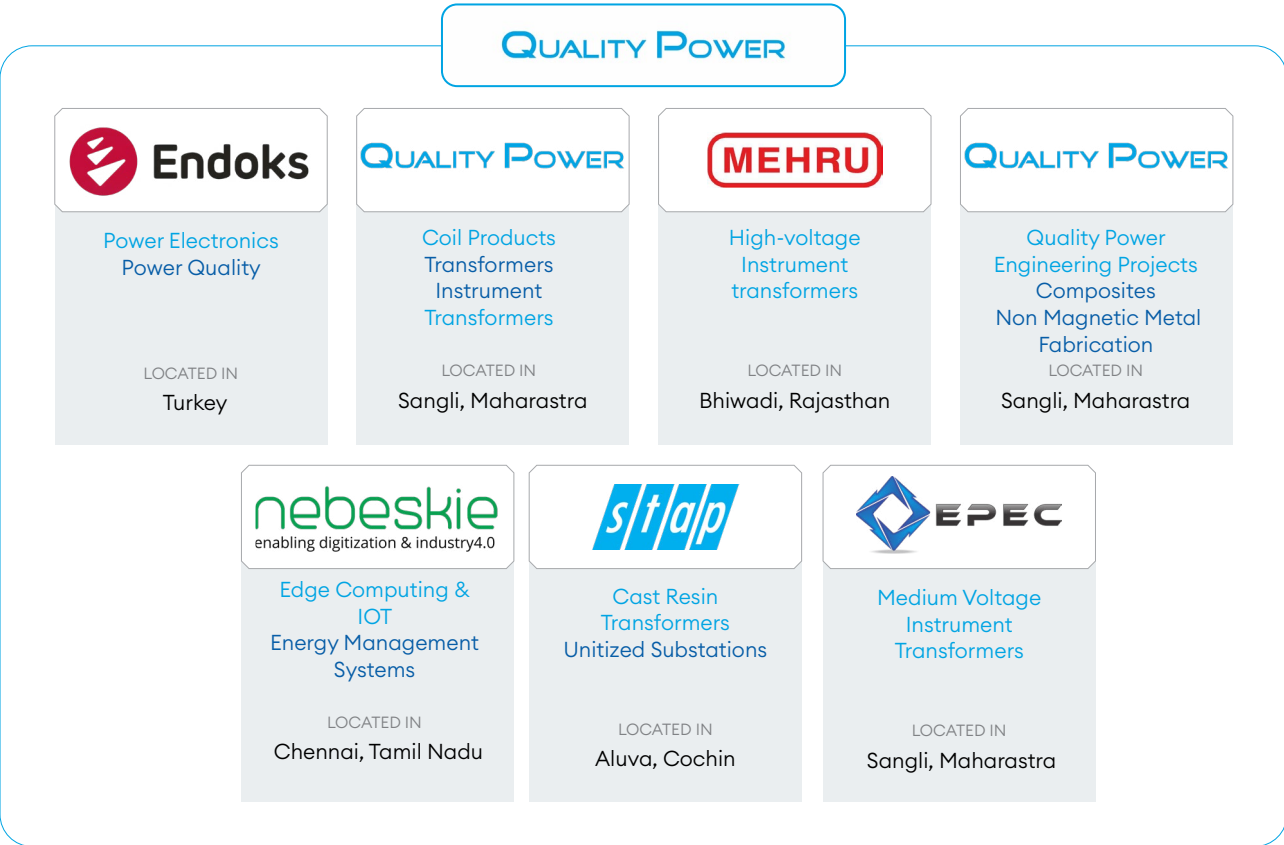
As we present our first Annual Report, we do so with humility for the path travelled and optimism for the journey ahead.

- Strength comes from our people and our technology.
- Stability comes from our ability to navigate uncertainty without compromising quality.
- Strategy comes from aligning with the future of energy and investing responsibly for long-term growth.

Across the group, we are united by a single belief: that the future of energy must be reliable, sustainable, and accessible. With innovation at the heart of everything we do, and guided by values that endure, we are prepared to take bold strides.



Group Organisations and Brands



Chairman and MD's Message

A Word from the Chairman



The world's grids will continue to expand and modernise, and we intend to be at the centre of that transformation. To our customers who have believed in us, some since our earliest days, we offer our gratitude. Your trust inspires us to push boundaries.



Dear Shareholders,

From the modest days of our founding to where we stand today, our story has been one of steady transformation, guided by the core values that define our journey: Strength, Stability, and Strategy. What began as a small enterprise driven by determination has evolved into a global player in high-voltage power equipment, trusted by utilities and industries across continents. This year's annual report, themed Powering What's Next, celebrates this evolution and charts our course for the future.

This year was particularly momentous as we completed our Initial Public Offering in February. This transition to a publicly listed company marks a significant milestone, and I extend a very warm welcome to all our new shareholders who have joined the Quality Power family. Your confidence is a profound responsibility and a reminder that our vision must go beyond quarterly results to the creation of enduring, long-term value. Each chapter of our journey has been shaped by resilience and the pursuit of engineering excellence, and with your support, we are poised to write our most ambitious chapters yet.

Delivering on Our Promises: A Resilient Performance

At the heart of our progress are the people who built it, our employees, partners, and customers. Their shared conviction is reflected in our robust performance this fiscal year. It gives me immense pleasure to report that we have delivered a strong financial performance, validating the strategic path we have undertaken. We closed the year with a consolidated revenue of ₹392 Crores, marking a growth of 18%. More impressively, our strategic focus on high-value products and operational efficiency led to a 74% surge in our profit after tax, which stood at ₹101 Crores.

This financial strength is the bedrock of our stability. Our balance sheet is the strongest it has ever been, with reserves growing fourfold and net debt reduced by a remarkable 77%. With cash and bank balances now standing at nearly ₹210 Crores and a robust consolidated order backlog of almost ₹750 Crores, we are in a formidable position to fund our future growth and navigate the dynamic global landscape with confidence and agility.

Technological Leadership and Global Reach

The world around us is entering a decisive energy transition. Renewable integration and grid stability are no longer distant priorities but pressing necessities, making high-voltage direct current (HVDC) and flexible AC transmission systems (FACTS) the backbone of tomorrow's power networks. To be deeply embedded in this market at this exact moment is both a responsibility and an opportunity we are prepared to embrace fully.

This year, we crossed historic thresholds that underline our readiness. I am proud to share that we successfully type-tested the

world's largest three-phase MSR at 200 MVR and also passed type-testing for HVDC converter reactors for a global customer in the first attempt. These accomplishments place us in a select league of companies worldwide with proven capability in this critical technology. Our group company, Endoks, continues to deliver innovations in FACTS and BESS solutions, bringing smarter and more reliable power quality management to grids. Together, these breakthroughs show that our role is no longer just to participate in the market, but to help shape its direction. This is further evidenced by our expanding global footprint, having onboarded new, marquee customers and utilities from Sweden, Finland, South Korea, Australia, and across the Middle East.

Building for Tomorrow

Our strategy for the future is to invest in people, advance technology, and nurture relationships. Our family has grown with the addition of Mehru Electrical and Mechanical Engineers, an integration that has already yielded remarkable results. The order book at Mehru has surged beyond ₹350 Crores, demonstrating the powerful synergy of this alliance.

To meet the burgeoning demand, we are undertaking a significant capacity expansion. The ongoing capital expenditure at our Sangli facility will not only increase our production capacity nearly nine-fold over the next 18 months but will also create one of the largest and most sustainable coil factories in the world. This disciplined investment, funded through internal accruals, will ensure we are ready to execute on the large-scale HVDC and FACTS projects that lie ahead. This commitment is further underscored by the promoters' decision to waive our dividends, conserving vital capital to fuel this crucial growth cycle.



More impressively, our strategic focus on high-value products and operational efficiency led to a 74% surge in our profit after tax, which stood at ₹101 Crores.

A Shared Vision for the Future

As we look ahead, we see a future that is demanding yet filled with possibility. The world's grids will continue to expand and modernise, and we intend to be at the centre of that transformation. To our customers who have believed in us, some since our earliest days, we offer our gratitude. Your trust inspires us to push boundaries. Every tested coil and every dispatched transformer carries within it countless hours of human effort and shared conviction. These bonds of trust are our most enduring assets. Our story so far has been remarkable, but it is the chapters yet to be written that hold the greatest promise.

Thank you for believing in us. We will uphold that belief with all our strength and carry it forward into a future that we build together.

Regards,

Thalavaidurai Pandyan

Chairman and Managing Director

Joint Managing Director's Message

From the Desk of the MD



We are investing in a new, state-of-the-art facility in Sangli, which, upon completion in Q2 FY27, will span approximately 320,000 sq. ft. and increase our production capacity nearly nine-fold.



Dear Shareholders,

The past year has been extraordinary in every sense of the word. The journey of leading our company through its Initial Public Offering was one of the most intense and defining experiences of my career. The long days on the road, the detailed investor presentations, and the rigorous scrutiny of every number tested our endurance. Yet, what this process gave us was clarity. We emerged with a deeper understanding of how the market views our business, what investors value in a long-term strategy, and the discipline expected of us now that we are a listed company.

Running a public company is a new responsibility that teaches us something each day. It demands a delicate balance between the expectations of our investors, the aspirations of our employees, and the trust of our customers. Governance and communication are no longer periodic exercises; they have become the constant rhythm that defines our operations. This new reality has made us more thoughtful and more accountable, reinforcing our conviction that growth must always be pursued with transparency. The ₹2,250 million raised as primary issuance through the IPO provides us with the fuel for this growth, with funds strategically earmarked for capital expenditure, the successful acquisition of Mehru, and future inorganic growth initiatives.

Seizing a Generational Opportunity in Energy Transition

The demand environment for our products has rarely looked stronger. Across the world, High-Voltage Direct Current (HVDC) and Flexible AC Transmission Systems (FACTS) are becoming critical enablers of the energy transition. As nations add large volumes of renewable energy, the need for long-distance power transfer and grid stability is expanding sharply. Projections show India's HVDC and FACTS market growing at a robust CAGR of 18%, a testament to the nation's commitment to integrating its more than 200 gigawatts of installed renewable capacity.

While the demand outlook is strong, the reality of supply chains continues to weigh on the industry. The past year reminded us that components and materials can become constraints. We are seeing multi-year backlogs for high-voltage equipment, with many European factories booked for the next six to seven years. This environment requires us to innovate and create redundancy in our supply lines. We have chosen to address this challenge proactively, not just by managing our supply chain, but by fundamentally transforming our manufacturing capabilities through strategic investment.

Building a Foundation for Scalable Growth

Our response to this industry-wide challenge is a landmark expansion of our own capacity. We are investing in a new, state-of-the-art facility in Sangli, which, upon completion in Q2 FY27, will span approximately 320,000 sq. ft. and increase our production capacity nearly nine-fold. This is not simply about adding scale; it is about creating one of the largest and most advanced coil product facilities globally, complete with a 2,500 kV AC High-Power Test

Lab. In parallel, our Cochin facility is being expanded to double its manufacturing capabilities, with completion expected by November 2025.

Alongside this organic growth, the acquisition of a 51% stake in Mehru Electrical and Mechanical Engineers has significantly strengthened our portfolio. The integration has been a resounding success, with Mehru's order book surging beyond ₹350 Crores and plans already in motion to increase its plant capacity by approximately 45% in the next few months. This acquisition, coupled with innovations from our Turkish subsidiary Endoks in FACTS and automation solutions, has broadened both our technological base and our credibility in the most demanding segments of the power sector.

Fortifying Our Technological and Organisational Edge

Our strategic investments are already yielding technological dividends. This year, we achieved critical milestones that place us in an elite global group: we successfully type-tested the world's largest three-phase MSR at 200 MVR and passed all type-tests for HVDC converter reactors for a major global customer in the first attempt. As the only company in India manufacturing coil products for HVDC and FACTS applications above 220 kV, these achievements cement our technical leadership. Furthermore, by increasing our stake in Nebeskie to 26%, we are deepening our commitment to pioneering edge computing and IoT solutions for tomorrow's unmanned substations.

We recognise that these opportunities cannot be captured by capacity and technology alone. Our next great task is organisational. We are focused on building a stronger, more resilient organisation that can handle exponential growth by embedding

professional management practices, cultivating leadership from within, and replicating the strengths of our current management team. Our aim is to transition into a fully professionalised company with robust systems, governed by a dedicated M&A task force to evaluate strategic opportunities, while retaining the entrepreneurial spirit that has always been our hallmark.

Executing with Purpose: Our Path Forward

As I look forward, the path is clear. The global demand for our products is undeniable, driven by the urgency of decarbonisation. Our challenge lies in execution—in navigating uncertain supply chains, managing growth responsibly, and continuously meeting the high standards set by all our stakeholders.

I want to close by expressing my gratitude. To our shareholders who placed their faith in us during the IPO, thank you. To our employees who work tirelessly to deliver quality and innovation, you are the foundation of this company. To our customers and partners who trust us with critical projects across more than 100 countries, your confidence motivates us to perform beyond expectations. The road ahead will not be simple, but it will be meaningful. Together, we are building an institution that will play a vital role in how societies power their future, and we intend to justify the trust placed in us with every step we take.

Regards,

Bharanidharan Pandyan
Joint Managing Director

What is HVDC

The Backbone of Long-Distance Power

High-Voltage Direct Current (HVDC) is a method of transmitting electricity using direct current at very high voltages. It is widely used to move large amounts of power over long distances with lower electrical losses than conventional alternating-current (AC) lines, and it is often more cost-effective beyond a certain range. Because power flow on an HVDC link is precisely controlled, HVDC can also connect regional grids that are not synchronised, enabling reliable exchange of electricity between otherwise incompatible systems.

An HVDC scheme has converter stations at each end: one converts AC to DC (rectifier) for transmission; the other converts DC back to AC (inverter) for delivery into the receiving grid. This architecture combines the efficiency of DC over distance with integration into standard AC networks at the endpoints. The approach is well-suited to long point-to-point corridors and to routes where underground or undersea cables are required, such as interconnectors between countries.

HVDC is especially relevant for clean-energy integration. Many high-quality renewable resources offshore wind, large hydro, desert solar are located far from demand centres. HVDC links act like 'power expressways,' moving bulk renewable generation to cities while minimising losses, and allowing stable transfers even when connected grids operate at different frequencies. This is why subsea cables for offshore wind and long onshore corridors from remote generation sites frequently adopt HVDC.

There are two main converter technologies. Line-commutated converters (LCC, thyristor-based) are well-proven for very high-power transfers. Voltage-sourced converters (VSC, typically modular multilevel designs) provide finer control of reactive power, black-start capability, and compact station advantages that make VSC attractive for offshore wind connections, urban terminals, and multi-terminal schemes. Modern programs increasingly deploy VSC ('HVDC Light' and similar platforms) alongside continued use of LCC for ultra-high-capacity links.

In summary, HVDC increases the reach and efficiency of transmission, unlocks cross-border and asynchronous interconnections and supports the large-scale integration of renewables capabilities that are central to modern, resilient power systems.



What are FACTS

Smart Solutions for Grid Stability

Flexible AC Transmission Systems (FACTS) are power-electronics-based controllers used in AC grids to make transmission more controllable, stable and efficient. In practical terms, FACTS devices allow operators regulate voltage, steer power flows, and damp oscillations in real time, which increases the usable capacity of existing lines and supports reliable operation under changing conditions. The IEEE defines FACTS as AC transmission systems that incorporate static controllers to enhance controllability and increase power-transfer capability.

FACTS works by placing fast electronic equipment at strategic points on the network. Shunt controllers (connected in parallel to the grid) inject or absorb reactive power to hold bus voltages near setpoints, while series controllers (connected in line) alter a line's effective impedance or voltage to redirect power and relieve congested corridors. Because switching is electronic, response is on the order of milliseconds far quicker than mechanical devices so, the system can ride through disturbances without violating limits.

Two of the most widely used shunt controllers are Static Var Compensators (SVCs) and Static Synchronous Compensators (STATCOMs). An SVC regulates voltage by rapidly switching reactors and capacitors; a STATCOM uses a voltage-sourced converter to deliver smooth, continuously variable reactive power with very fast dynamics and little need for harmonic filtering. Both improve steady-state voltage and transient stability; studies often find STATCOMs provide stronger dynamic support under deep voltage dips, which is valuable for grids with large renewable swings

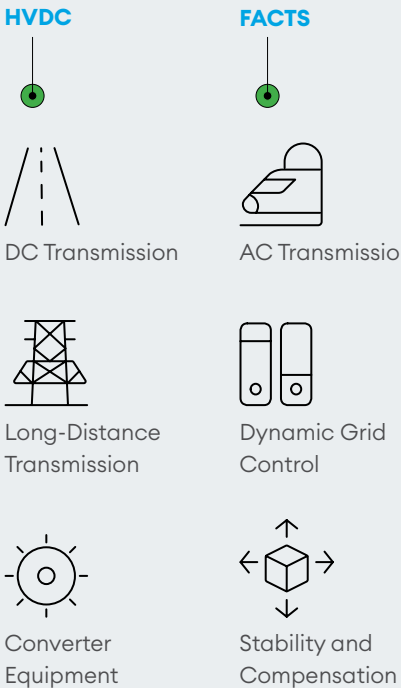
On the series side, devices such as Thyristor-Controlled Series Capacitors (TCSC) and Unified Power Flow Controllers (UPFC) increase corridor throughput and shape how power shares across parallel paths. A TCSC dynamically adjusts inserted reactance to raise transfer limits and damp inter-area oscillations; a UPFC combines shunt and series converters with a common DC link, giving fine control over line voltage, phase angle, and impedance thereby managing both active and reactive power flows on a target line.

Utilities deploy FACTS where the grid is stressed or variable: renewable interconnection points, long or heavily loaded lines, urban substations with tight voltage margins, and ties between regions. The result is higher transfer capability on existing assets, improved voltage profiles and power quality, and reduced risk that local disturbances escalate. In many cases, FACTS allows operators to defer new line construction by extracting more performance from the current network an approach well documented in industry guidance and reviews.

Taken together, FACTS is the AC grid's control toolkit: shunt devices keep voltages steady, series devices balance flows and hybrids coordinate both. As renewable penetration rises and operating conditions become more dynamic, these controllers are central to maintaining reliability and making better use of transmission corridors.



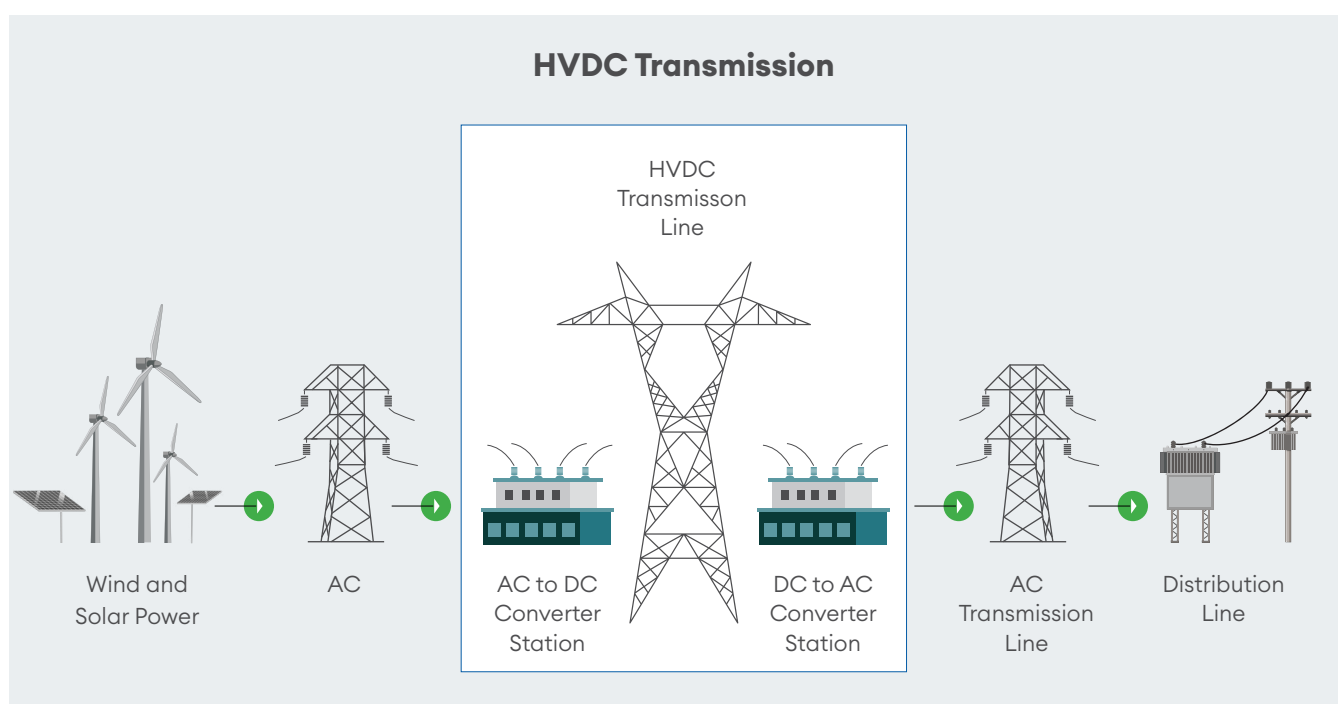
Comparing HVDC and FACTS in Power Transmission



Our Role in HVDC & FACTS

Enabling Smarter Grids

We supply the high-voltage components and integrated solutions that sit at the heart of HVDC and FACTS projects. Over time, we have built a strong presence across key grid equipment reactors, transformers, line traps, capacitor banks and power-electronic controllers such as SVCs and STATCOMs. These offerings map directly to the building blocks required to implement new HVDC links and to upgrade AC networks with FACTS.



How We Support HVDC Technologies

We specialise in providing high-voltage equipment for HVDC converter stations and associated transmission corridors. Our portfolio includes products that are approved and currently in service at multiple HVDC stations, such as:

- Air-core dry type reactors compatible with both VSC and LCC technologies
- High-voltage PLC filters / line traps
- High-voltage oil-filled instrument transformers
- Medium-voltage oil-filled earthing transformers

Through our Special Fabrication Division, we also have the capability to design and manufacture components for valve assemblies, a domain in which we are actively collaborating with global customers. In addition, we are exploring technologies in Medium Voltage DC, which we believe will play a critical role in enabling offshore grid integration in the future.

How we support FACTS Technologies

We provide medium-voltage equipment that is integral to Flexible AC Transmission Systems (FACTS) stations. Our portfolio includes a wide range of products that are already approved and successfully operating in various FACTS installations worldwide, such as:

- Static Var Compensators (SVCs)
- STATCOMs
- Thyristor Switched Capacitor Banks (TSCs)
- Thyristor Valve Assemblies
- Control Software & Automation Systems
- Air-core dry type reactors supporting both SVCs and STATCOMs
- Harmonic Filters
- Dry-type and oil-filled instrument transformers
- Medium-power transformers

Beyond product supply, we play a dual role in supporting FACTS technologies. On one hand, we serve as a trusted component vendor to multiple global companies engaged in FACTS projects. On the other, through our subsidiary Endoks, we deliver complete turnkey solutions for FACTS applications, offering end-to-end design, engineering, manufacturing and commissioning support.

With our in-house expertise, global collaborations, and advanced manufacturing capabilities, we are committed to strengthening grid stability, enhancing power quality and enabling reliable integration of renewable energy through FACTS technologies.

How we enable AC Technologies

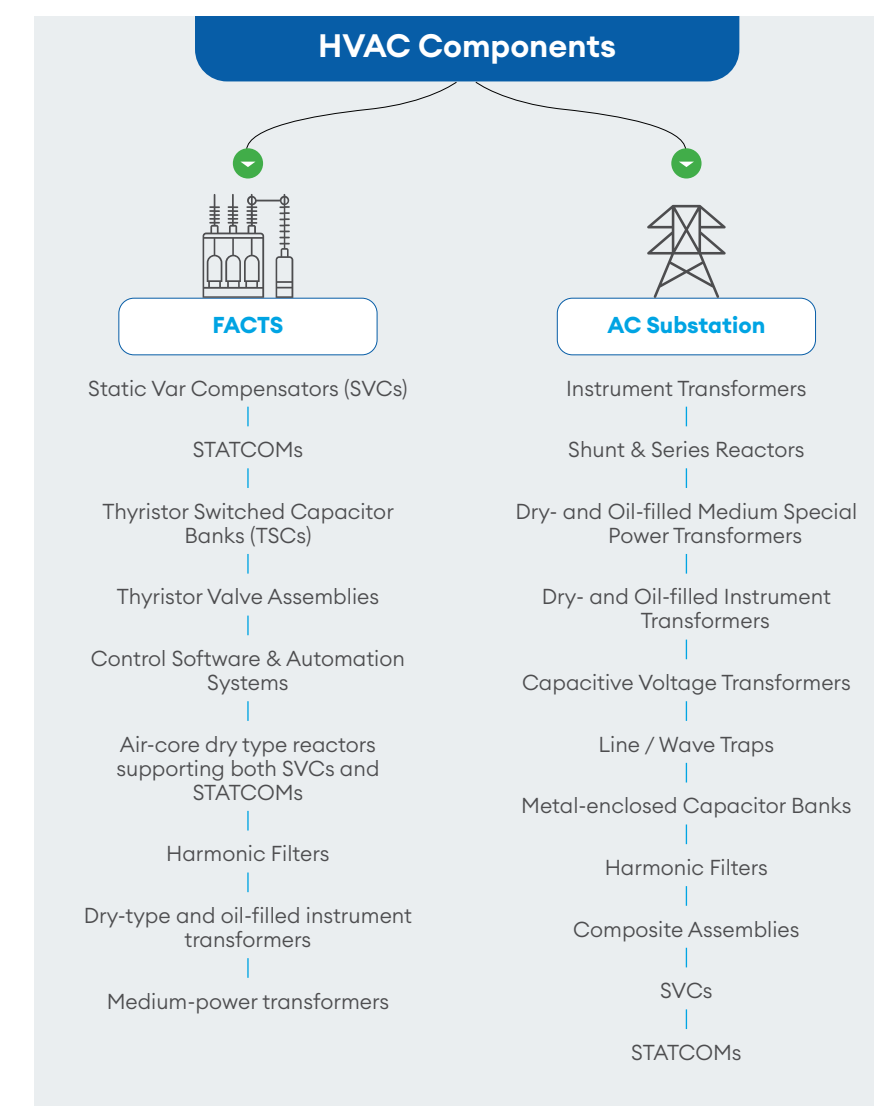
We supply medium- and high-voltage equipment for AC substations serving both utility and industrial applications. Our product portfolio includes:

- Shunt & Series Reactors
- Dry- and Oil-filled Medium Special Power Transformers
- Dry- and Oil-filled Instrument Transformers
- Capacitive Voltage Transformers
- Line / Wave Traps
- Metal-enclosed Capacitor Banks
- Harmonic Filters
- Composite Assemblies
- SVCs
- STATCOMs

In the automation segment, our solutions include:

- Grid-level Automation SCADA
- Energy Management Systems
- IoT-enabled and connected equipment

We operate both as a component vendor to multiple global companies engaged in FACTS technologies and, through Endoks, deliver turnkey solutions for FACTS-related applications.



Operating Environment

Shaping the Landscape
We Operate In

Transmission is becoming the backbone of energy transition

Globally, governments and utilities are making multi-decade investments in power infrastructure to support electrification and decarbonisation. Europe's TenneT awarded over €30 billion in grid projects in 2023, while the UK committed ₹59,000 Crores to HVDC development in March 2025 alone. These trends are echoed across North America, the Middle East, and Asia, where renewable integration, reliability upgrades and long-distance corridors are high priorities.

OUR RESPONSE

We are expanding product lines across reactors, transformers, and instrument transformers to serve long-haul corridors and inter-regional transmission systems. We are also aligning capacity expansion and delivery schedules with global bid cycles.

Material topics

- Capacity Expansion
- Global Market Participation
- Energy Transition Enablement

Renewable corridors in India are driving transmission capex

India is undertaking one of the largest renewable-linked transmission expansions globally, anchored by mega solar and wind parks such as Khavda. Projects under GEC (Green Energy Corridor) and PGCIL's Khavda Phase-V are triggering steady demand for high-voltage transformers, reactors and FACTS systems to manage generation variability and ensure grid balance.

OUR RESPONSE

Investments are underway at our Sangli and Cochin facilities to scale 765kV-class manufacturing. We are also strengthening backward integration for coils and building long-term manufacturing resilience through capex funded via promoter loans and IPO proceeds.

Material topics

- Localisation & Make-in-India
- Project Execution Efficiency
- Infrastructure Readiness

HVDC is emerging as the preferred mode for long-distance, high-capacity transfers

HVDC technology is now being widely adopted for connecting offshore wind, enabling interregional transfers and linking asynchronous grids. Unlike AC, HVDC offers lower transmission losses, precise power control and unlimited line length making it ideal for cross-border and offshore projects. Advanced converter technologies like CSC and VSC enable flexibility in design based on voltage, footprint and application type.

OUR RESPONSE

Our product roadmap is HVDC-ready with solutions compatible with both CSC and VSC architectures. These include high-spec reactors, harmonic filters, capacitor banks and control panels suited for point-to-point and offshore configurations.

Material topics

- HVDC-Ready Product Innovation
- Engineering Flexibility
- Cross-Border Market Alignment

FACTS devices are becoming essential to integrate renewable energy

With rising grid complexity, Flexible AC Transmission Systems (FACTS) such as STATCOMs and SVCs are no longer optional they are mandatory. The Indian government now requires FACTS deployment in at least 33% of renewable parks to manage reactive power and maintain voltage stability. Globally, utilities are prioritising FACTS solutions to complement HVDC investments and improve dynamic grid performance.

OUR RESPONSE

We have strengthened our STATCOM/ SVC capabilities via Endoks, with localisation of select components underway. Our teams are actively bidding on 3-4 projects monthly, leveraging experience in utility grid integration.

Material topics

- Renewable Energy Integration
- Voltage Stability & Grid Support
- Power Quality Execution

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Operating Environment

Power quality is under scrutiny as harmonics and load flow complexity increase

As renewables and power electronics proliferate, voltage fluctuations, harmonics and reactive power issues are becoming more frequent. This is driving demand for advanced harmonic filters, reactors and capacitor banks, especially in HVDC and high-inertia networks. Utilities are demanding equipment that can meet stringent grid code compliance while improving system efficiency.

OUR RESPONSE

We offer end-to-end solutions in harmonic filters, reactors, and capacitor banks designed for compliance with Indian and global grid codes. These are increasingly bundled with transformer or STATCOM packages as turnkey offerings.

Material topics

- Grid Code Compliance
- Reliability & Standards
- Turnkey Capability

Digitalisation is driving a shift toward unmanned, intelligent substations

Utilities are moving toward digitally controlled, unmanned substations to address talent shortages, remote site access and operational complexity. Edge computing and ML-based control systems are gaining traction to automate fault detection, system response and load optimisation without relying on stable communication networks. These trends are opening up opportunities in AI-enabled control gear and embedded intelligence within high-voltage systems.

OUR RESPONSE

Through our stake in Nebeskie Technologies, we are developing AI-enabled edge computing systems for transformers and STATCOMs enabling predictive maintenance, self-correction, and remote operation.

Material topics

- Digital Innovation
- Embedded Intelligence
- Smart Grid Enablement

Supply chain constraints are reshaping procurement and localisation

There is a visible demand-supply mismatch in high-voltage equipment, particularly in coils, transformers, and STATCOMs especially outside China. This is compelling buyers to lock in supply early and favour vendors with in-house manufacturing and strong localisation. India's push for Make-in-India in transmission components further increases the relevance of domestic suppliers with global quality standards.

OUR RESPONSE

We are enhancing localisation through in-house coil manufacturing, evaluating bolt-on acquisitions like STATCON Energiaa and de-risking supply by investing in long-lead items and critical process backward integration.

Material topics

- Strategic Sourcing & M&A
- Manufacturing Self-Reliance
- Supply Chain Resilience

Offshore transmission and subsea projects demand higher reliability

Submarine transmission routes common in offshore wind and interconnector projects require highly reliable equipment. Unlike overhead AC lines, HVDC cables used offshore must be jointed at sea, buried and protected, making maintenance complex and downtime costly. This has elevated the quality standards and lifecycle expectations from suppliers.

OUR RESPONSE

We are adapting our design and testing protocols to meet marine-grade standards for reactors, capacitor banks, and filters, while collaborating with OEMs on export-qualified specifications for offshore and subsea HVDC systems.

Material topics

- Reliability in Harsh Environments
- Export Readiness
- Offshore Grid Standards

Our Product Portfolio

Fusing Expertise with Precision

Our extensive range of high voltage equipment and engineered systems address critical requirements across the entire electricity value chain. We ensure our products meet both Indian and international standards, supporting energy transition initiatives worldwide.



Offerings	Power Products			Power Quality Systems
Segments	Reactors & Line Traps	Transformers	Instrument Transformers	Power Quality
Segments	Air Core Reactor Iron Core Reactor Oil Filled Reactor Custom Design Reactors Wave Traps / Line Traps Line Tuners	Custom Designed Earthing Transformers Inverter / Converter Duty Traction STATCOM Duty Arc Furnace Dry Type	Current Transformers Potential Transformers Discharge Coils Capacitive Voltage Transformers	Static VAR Compensators (SVC) STATCOM's Harmonic Filters Capacitor Banks Shunt Reactors
Description	Upto 765kV	Upto 170kV	Upto 500kV	Upto 230kV
Brand		 	 	

End-use Applications

Our solutions are deployed across key sectors that require high voltage infrastructure and stable power supply.



Power Utilities (grid operators, state and central agencies)



Renewables (solar, wind integration projects)



Steel, Cement and Metals



Railways and Locomotive Electrification



Oil and Gas



Automotive and Industrial Facilities

Our People

The Power Behind Our Progress

Our people are at the core of everything we achieve. Across India and our international operations, we continue to invest in creating a workplace that is safe, inclusive and empowering. Our focus extends beyond productivity we are building a culture where individuals grow, collaborate and take pride in shaping the future of energy.

A Global Workforce

Our team operates across India, Turkey and other global locations. This diverse workforce brings together engineers, technologists, project specialists and business professionals, ensuring we remain competitive and responsive to global customer needs.

Approx 1,500

Employees



Diversity & Inclusion

We are committed to nurturing an inclusive culture that reflects diversity in thought, experience, and representation. Special focus is placed on increasing the participation of women in engineering, manufacturing, and leadership roles, contributing to a more balanced and innovative organisation.

Health & Safety First

The well-being of our people is safeguarded through a 'Zero Harm' philosophy. We conduct regular safety audits, training and awareness drives. From protective equipment distribution to emergency preparedness drills, every initiative reinforces our safety-first mindset.

Did you know?

Operating from state-of-the-art manufacturing facilities certified to ISO 9001, ISO 14001, ISO 45001 and ISO/IEC 17025



Learning & Development

We recognise that future readiness comes from continuous learning. This approach ensures that our people are equipped with today's challenges and anticipate tomorrow's opportunities.

Our programs include

- Technical training to keep pace with evolving technologies
- Leadership development tracks to prepare future leaders
- Cross-border knowledge-sharing between subsidiaries in India and Turkey



Employee Engagement & Culture

Beyond work, we celebrate the spirit of togetherness. Annual sports meets, cultural programs and recognition awards create a sense of belonging and pride. These initiatives help strengthen team spirit, encourage collaboration and recognise contributions at every level.



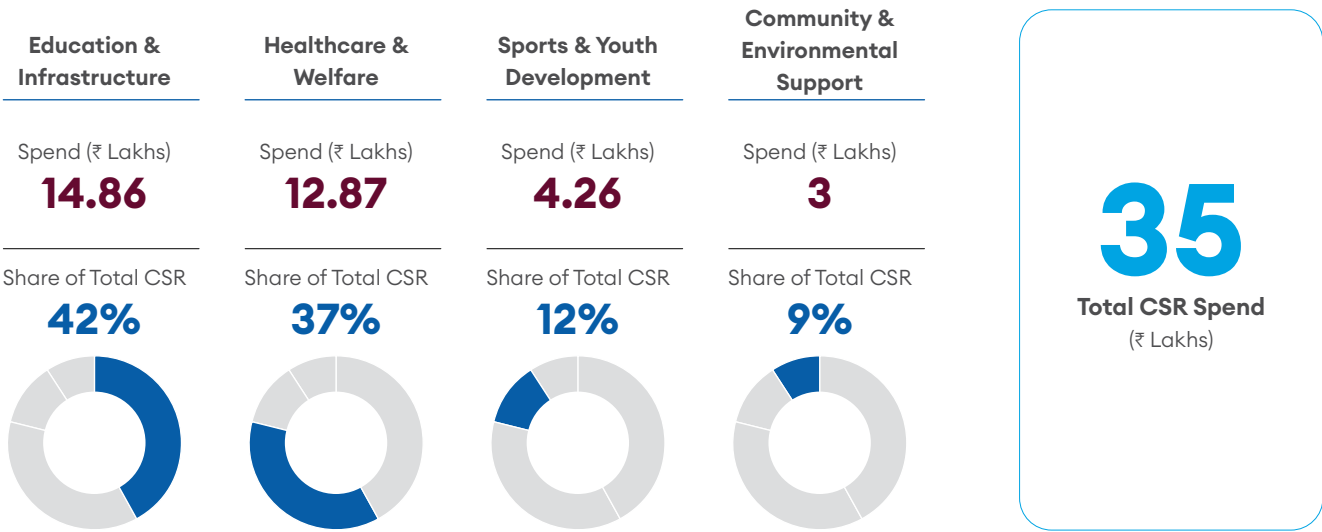
Corporate Social Responsibility

Building Bonds with Society

We view Corporate Social Responsibility (CSR) as an extension of our values and responsibility toward society. Our vision is to create a meaningful and measurable impact on the communities we serve, while contributing to sustainable development.



CSR Highlights



Education & Infrastructure

We strengthened school infrastructure and classroom facilities, providing children with better learning environments. These initiatives were also complemented by medical support programs integrated with educational activities.



Healthcare & Welfare

Our healthcare initiatives supported hospitals with essential equipment and resources. Alongside this, we conducted awareness programs on preventive healthcare, ensuring communities had access to both treatment and knowledge.



Sports & Youth Development

We encouraged young people to engage in sports by sponsoring tournaments and supporting rural youth participation. These initiatives promoted fitness, discipline, and team spirit among the younger generation.



Community & Environmental Support

We supported sanitation drives, village development programs, and environmental initiatives. Projects such as tree plantations and waste reduction activities contributed to cleaner surroundings and more sustainable communities.



Corporate Information

Board of Directors

Sr No	Name of the Directors and KMPs	Designation
1	Thalavaidurai Pandyan	Chairman & Managing Director
2	Bharanidharan Pandyan	Joint Managing Director
3	Chitra Pandyan	Whole-Time Director
4	Mahesh Vitthal Saralaya	Whole-Time Director
5	Rajendra Sheshadri Iyer	Independent Director
6	Shailesh Kumar Mishra	Independent Director
7	Sadayandi Ramesh	Independent Director
8	Pournima Suresh Kulkarni	Independent Woman Director
9	Rajesh Jayaraman	Chief Financial Officer
10	Deepak Ramchandra Suryavanshi	Company Secretary & Compliance Officer

Registered Office:

CIN:- L31102PN2001PLC016455

Plot No. L - 61, M. I. D. C. Kupwad Block, Sangli,
Maharashtra-416 436

(P): 0233-2645432

(Email): corporate@qualitypower.co.in

Website: <https://qualitypower.com/>

RTA - MUFG Intime India Private Limited

C 101, 1st Floor, 247 Park

L.B.S. Marg, Vikhroli West

Mumbai – 400 083, Maharashtra, India

Telephone: +91-22-49186000

Website: www.linkintime.co.in

Secretarial Auditors:

Abhay R Gulavani

Practicing Company Secretary

Ganesh Vandan Apartment,

Flat No 202, Opp Ganapati Mandir,

Vishrambag, Sangli - 416 415.

Bankers:

Axis Bank Limited

Statutory Auditors:

Kishor Gujar & Associates

Chartered Accountants

Office No. 2, 1st Floor, Mahalaxmi Heights,

Near Bank of Maharashtra (Pimpri Branch), Pimpri,

Pune – 411 018, Maharashtra, India

E-mail: info.kgapune@gmail.com

Telephone: 020 27472930

Company Secretary & Compliance Officer

Deepak Ramchandra Suryavanshi

Plot No. L - 61, M. I. D. C. Kupwad Block, Sangli,

Maharashtra-416 436

(P): 0233-2645432

(Email): cs@qualitypower.co.in /

investorgrievance@qualitypower.co.in

Cost Auditors:

R. S. KALE & CO.

Cost Accountant

203 Anklikar Bhavan, Behind City High School,

Gaon Bhag, Sangli 416 416.

Plants:

- 1) L-61, MIDC, Kupwad Block, Sangli Maharashtra 416 436.
- 2) N-17, N-17/2, N-17/3 and N-17/5, MIDC, Kupwad Block, Sangli, Maharashtra 416 436
- 3) J-22, MIDC, Kupwad Block, Sangli Maharashtra 416 436
- 4) E-5 & E-6/2, MIDC, Kupwad Block, Sangli, Maharashtra 416 436. (Under Construction)
- 5) No 5/224, Chalackal Thottumugham, P O Aluva Ernakulam Kerala 683105

QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED

(Formerly - Quality Power Electrical Equipments Private Limited)

Regd. Office: Plot No. L - 61, M. I. D. C. Kupwad Block, Sangli, Maharashtra - 416 436

(P): 0233- 2645435; 2645432; (Email): corporate@qualitypower.co.in

CIN: L31102PN2001PLC016455

NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of the members of **QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED** will be held on **Thursday, 25th day of September, 2025 at 4.30 p.m.** through **Video Conferencing (VC)/OAVM** for which purpose the Registered Office of the Company situated at PLOT L - 61, M. I. D. C. Kupwad Block, Sangli, Maharashtra - 416 436 shall be deemed as the venue for the Meeting and the proceedings of AGM shall be deemed to be made thereat, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Standalone Financial Statements as at 31st March, 2025 along with the Reports of the Directors and Auditors thereon:

“RESOLVED THAT the audited Standalone Financial Statements viz. the Statement of Assets & Liabilities as at 31st March, 2025, the Statement of the Profit and Loss, the Cash Flow Statement for the Financial Year ended as on 31st March, 2025, along with the Reports of the Directors and Auditors thereon be and are hereby considered and adopted.”

2. To receive, consider and adopt the Audited Consolidated Financial Statements as at 31st March, 2025 along with the Reports of the Auditors thereon.

“RESOLVED THAT the audited Consolidated Financial Statements viz. the Statement of Assets & Liabilities as at 31st March, 2025, the Statement of the Profit and Loss, the Cash Flow Statement for the Financial Year ended as on 31st March, 2025, along with the Reports of the Directors and Auditors thereon be and are hereby considered and adopted.”

3. To declare a Dividend of ₹1/- (Rupee One) per equity share of face value of ₹10/- each for the financial year ended 31st March, 2025, to the Non-Promoter category shareholders, as the Promoters of the Company have waived off their right to receive the dividend.

“RESOLVED THAT a Dividend of ₹1/- (Rupee One) per Equity Share be and is hereby declared for payment on 2,02,04,640 Equity Shares of ₹10/- each held by those eligible shareholders under the Non-Promoter category as per the Record Date kept for this purpose.”

4. To appoint a Director in place of Mrs. Chitra Pandyan (DIN: 02602659) who retires by rotation and being eligible offers herself for re-appointment.

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Chitra Pandyan (DIN: 02602659), Whole-time Director, designated as Executive Director of the Company, who retires by rotation at this meeting and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the re-appointment of Mrs. Chitra Pandyan (DIN: 02602659) as a Director, shall not in any way constitute a break in her existing office as the Executive Director of the Company.”

SPECIAL BUSINESS:

5. To consider and approve the continuation of the Directorship of Mrs. Chitra Pandyan (DIN: 02602659), as Whole-time Director who will attain the age of Seventy (70) years in this financial year.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, consent of the members of the company be and is hereby accorded for the continuation of Directorship of Mrs. Chitra Pandyan (DIN: 02602659), Whole-time Director, designated as Executive Director of the Company, who is liable to retire by rotation, on the Board of the Company notwithstanding her attaining the age of 70 years on November 12, 2025.”

6. **Approval for payment of remuneration to Non-Executive Directors of the Company:**

To consider and, if thought fit to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant clause (ii) of the second proviso to sub-section (1) of Section 197 and other applicable provisions of the Companies Act, 2013, read with schedule V and the rules made thereunder and as per the Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s), for the time being in force, and the articles of association of the Company and as recommended by the Nomination and Remuneration Committee and the Board of Directors, and subject to

the approval of any other statutory authorities, as may be required in this regard, the approval of the members of the Company, be and is hereby accorded to increase the limit of 1% , as stipulated in clause (ii)(A) of the first proviso to subsection (1) of Section 197 of the Companies Act 2013, as the remuneration payable in aggregate to the Non- Executive Director(s) of the Company in any financial year upto 5% of the net profits of the Company, computed in the manner laid down in Section 198 of the Companies Act, 2013, with liberty to the Board of Directors of the Company to appropriate the amount payable amongst the Non-Executive Directors equally or otherwise, as may be decided from time to time.

RESOLVED FURTHER THAT pursuant to the Regulation 17(6) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s), for the time being in force, the Board of Directors be and is hereby authorised to pay Mr. Rajendra Sheshadri Iyer, the Independent Non-Executive Director of the Company Rs.44 Lakhs or such other higher amount / percentage of profit within the above-mentioned 5% of the net profits of the Company, in any financial year.

RESOLVED FURTHER THAT, the Board of Directors and/ or the Company Secretary be and are hereby authorized to do all acts and things necessary for giving effect to this resolution.”

7. Approval for giving Loans/Guarantees or providing securities:

To consider and if thought fit to pass the following resolution as a **Special Resolution**:

RESOLVED THAT in suppression of the Special Resolution passed by the Members in its meeting held on March 23, 2024 and pursuant to the provisions of Section 186 (3) read with the Rules framed thereunder and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called ‘**the Board**’ which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) to give any loans/any other form of debt to any person or any other body corporate and / or to give guarantee and / or to provide security in connection with a loan/any other form of debt to any other body corporate or person and to make investment or acquire by way of subscription, purchase or otherwise at par or at premium or otherwise, the securities of any other body corporate whether Indian or overseas (apart from the loan(s) / guarantee(s) / security(ies) / investments already given / made / held by the Company) shall not at any time exceed **Rs.1,000 Crore (Rupees One Thousand Crore only)** notwithstanding the same

exceeds beyond the limit prescribed under section 186 of The Companies Act, 2013.

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, Mr. Thalavaidurai Pandyan Chairman and Managing Director (DIN:00439782) and/or Mr. Bharanidharan Pandyan (DIN: 01298247) Joint Managing Director of the Company, be and is hereby authorized to take all decisions and steps in respect of the above loans, guarantees, securities and investment including the timing, amount and terms and conditions of such loans, guarantees, securities and investment and varying the same either in part or in full as it may deem appropriate, with power to transfer, sell, settle or otherwise dispose off the same, from time to time and to do and perform all such acts, deeds, matters and things as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including power to sub-delegate in order to give effect to the aforesaid resolution from the date of Incorporation.”

8. To appoint Secretarial Auditors for a Term of Five Years:

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, Section 204 and other applicable provisions, if any of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014 (the Rules), including any statutory modification(s) or reenactment(s) thereof for the time being in force, and pursuant to recommendation made by the Audit Committee of the Board, Mr. Abhay R. Gulavani, Practicing Company Secretary (FCS 10668; COP No. 10741), be and is hereby appointed as the Secretarial Auditor of the Company for a period of 5 (five) consecutive years from Financial Year 2025-26 to 2029-30, and the Board be and is hereby authorized to fix the remuneration as may be determined by the Audit Committee in consultation with the Secretarial Auditor, in addition to taxes and reimbursement of all out of pocket expenses as may be incurred in connection with the Secretarial Audit of the Company.

RESOLVED FURTHER THAT in addition to the fees, any other fees for certification and other permissible services under Regulation 24A(1)(b) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 may be paid to the Secretarial Auditors at such rate as may be agreed between the Secretarial Auditors and Management of the Company.

RESOLVED FURTHER THAT the Jt Managing Director or the Company Secretary of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

9. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2026:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Members of the Company hereby ratify the remuneration of Rs. 1,00,000/- (Rupees One Lakh Only) plus applicable taxes and out of pocket expenses at actuals, if any, payable to Mr. Rupesh Sunil Kale, Practicing Cost Accountant, (M. No. 51450; Firm Reg. No 005473) who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as ‘Cost Auditor’ of the Company to conduct the Audit of the Cost Records maintained by the Company as prescribed under the Companies (Cost Record and Audit) Rules, 2014, as amended, for the Financial Year ending 31 March, 2026.”

By Order of the Board of Directors
For QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED

Registered Office:

Plot No L-61, M.I.D.C. Kupwad Block,
Sangli, Maharashtra 416 436
CIN: L31102PN2001PLC016455
Website: www.qualitypower.com

Deepak Ramchandra Suryavanshi
Company Secretary & Compliance Officer
ACS: 27641

Date: 07th August, 2025
Place: Sangli

NOTES: -

1. Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11, SEBI/HO/CFD/CMD2/CIR/P/2022/62, SEBI/HO/CFD/PoD-2/P/CIR/2023/4, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 and SEBI/HO/CFD/PoD-2/P/CIR/2024/133 dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and October 3, 2024 respectively issued by the Securities and Exchange Board of India (“SEBI Circulars”) have permitted companies to conduct AGM through VC or other audio visual means, subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 24th AGM of the Company is being convened and conducted through VC.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021 and September 25, 2023 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with MUFG Intime India Private Limited for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by MUFG Intime India Private Limited.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. As per the provisions under the MCA Circulars, Members attending the 24th AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process and instructions for remote e-voting are provided in the subsequent pages. Such remote e-voting facility is in addition to voting that will take place at the 24th AGM being held through VC.
6. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.

7. The Board of Directors has appointed M/s. Abhay R. Gulavani, Practicing Company Secretary, Sangli, (CP 10741), as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
8. The Results shall be declared within two working days of conclusion of the Annual General Meeting. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.qualitypower.com and on the website of MUFG Intime India Private Limited (Formerly Link Intime India Pvt. Ltd.) (MIPL) <https://instavote.linkintime.co.in>. The same shall also be communicated to BSE and National Stock Exchange of India Limited, where the shares of the Company are listed.
9. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 24th AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 24th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
10. Institutional/Corporate members (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG format) of its Board Resolution or Governing Body Resolution/ Authorisation etc., authorising its representative to attend the AGM through VC/OAVM or to vote through remote E-voting. The said Resolution/ Authorization shall be sent to the Company at cs@qualitypower.co.in and RTA at arati.bhoga@in.mpms.mufig.com
11. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. The Register of Members and Share Transfer books will remain closed from 19th September, 2025 to 25th September, 2025 (both days inclusive). The Record Date i.e. 18th September 2025, has been fixed for determining the eligible shareholders for payment of Dividend for the Financial Year 2024-25.
13. In line with the MCA and SEBI Circulars, the notice of the 24th AGM along with the Annual Report 2024-25 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report 2024-25 will also be available on the Company's website at www.qualitypower.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com/ and on the website of RTA at [www.instavote.linkintime.co.in](https://instavote.linkintime.co.in).
14. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) by writing to the Company's Registrar and Share Transfer Agent, MUFG Intime India Pvt. Ltd. The following documents will be available for inspection by the Members electronically during the 24th AGM.
 - a) Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013.
 - b) All such documents referred to in the accompanying Notice and the Explanatory Statement.

Members seeking to inspect such documents can send an email to cs@qualitypower.co.in
15. Details of the Directors seeking appointment/ re-appointment at the 24th AGM are provided in Annexure A of this Notice. The Company has received the requisite consents/declarations for the appointment/ re-appointment under the Companies Act, 2013 and the rules made thereunder.
16. Members who hold shares in dematerialized form and want to provide/change/correct the bank account details should send the same immediately to their concerned Depository Participant(s) and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participant(s). The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of such dematerialized shares.
17. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant(s), as the case may be:
 - a) the change in the residential status on return to India for permanent settlement, and
 - b) the particulars of the NRE account with a Bank in India, if not furnished earlier
18. Members who wish to claim Dividends, which remain unclaimed, are requested to either correspond with the Company Secretary & Compliance Officer at the Company's registered office or the Company's Registrar and Share Transfer Agent (MUFG Intime India Private Limited) for revalidation and encashment

before the due dates. The details of such unclaimed dividends are available on the Company's website at www.qualitypower.com. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF. In the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from the IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website <http://www.iepf.gov.in/> and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules. **There are no Dividends which are unclaimed or unpaid so far by the Company.**

19. In case of any queries regarding the Annual Report, the Members may write to cs@qualitypower.co.in to receive an email response.
20. As the 24th AGM is being held through VC, the route map is not annexed to this Notice.
21. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM is annexed.
22. If the dividend, as recommended by the Board of Directors, is declared at the 24th Annual General Meeting, payment of such dividend will be paid/credited on or before 24th October, 2025, within 30 days from the date of declaration to all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Thursday, 18th September, 2025.
23. **TDS on Dividend:** In accordance with the provisions of the Income Tax Act, 1961 ('the Act'), dividend paid on or after 01 April 2020, is taxable in the hands of Members and the Company is required to deduct tax at source ('TDS') from dividend paid to the Members at the applicable rates.

TDS rates that are applicable to Members depend upon their residential status and classification as per the provisions of the Act. The Company will therefore deduct tax at source at the time of payment of dividend,

at rates based on the category of Members and subject to fulfillment of conditions.

24. THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - Individual Shareholders registered with NSDL IDeAS facility

Shareholders who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter User ID and Password. Click on "Login"
- c) After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for NSDL IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post successful registration, user will be provided with Login ID and password.
- d) After successful login, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders directly visiting the e-voting website of NSDL

- Visit URL: <https://www.evoting.nsdl.com>
- Click on the "Login" tab available under 'Shareholder/ Member' section.
- Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1 – Individual Shareholders registered with CDSL Easi/ Easiest facility

Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:

- Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- Click on New System Myeasi Tab
- Login with existing my easi username and password
- After successful login, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime, for voting during the remote e-voting period.
- Click on "Link InTime/ MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for CDSL Easi/ Easiest facility:

- To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- Proceed with updating the required fields.
- Post registration, user will be provided username and password.
- After successful login, user able to see e-voting menu.
- Click on "Link InTime / MUFG InTime" or "evoting link displayed alongside Company's Name" and you will

be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders directly visiting the e-voting website of CDSL

- Visit URL: <https://www.cdslindia.com>
- Go to e-voting tab.
- Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- After successful authentication, click on "Link InTime / MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- Login to DP website
- After Successful login, user shall navigate through "e-voting" option.
- Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- After successful authentication, click on "Link InTime / MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:

- Visit URL: <https://instavote.linkintime.co.in>

Shareholders who have not registered for INSTAVOTE facility:

- Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details:

A. User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

B. PAN:

Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI:

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number:

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in NSDL form, shall provide 'D' above

**Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

- Set the password of your choice
(The password should contain minimum 8 characters, at least one special Character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- Enter Image Verification (CAPTCHA) Code
- Click "Submit" (You have now registered on InstaVote).

Shareholders who have registered for INSTAVOTE facility:

c) Click on "Login" under 'SHARE HOLDER' tab.

- A. User ID: Enter your User ID
- B. Password: Enter your Password
- C. Enter Image Verification (CAPTCHA) Code
- D. Click "Submit"

d) Cast your vote electronically:

- A. After successful login, you will be able to see the "Notification for e-voting".
- B. Select 'View' icon.
- C. E-voting page will appear.
- D. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

E. After selecting the desired option i.e. Favour / Against, click on 'Submit'.

A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on "Investor Mapping" tab under the Menu Section
- c) Map the Investor with the following details:
 - A. 'Investor ID' –
 - i. NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - ii. CDSL demat account – User ID is 16 Digit Beneficiary ID.
 - B. 'Investor's Name' - Enter Investor's Name as updated with DP.
 - C. 'Investor PAN' - Enter your 10-digit PAN.
 - D. 'Power of Attorney' - Attach Board resolution or Power of Attorney.

*File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.

- E. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the “Report Section”.

STEP 3 – Voting through remote e-voting

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- Click on “Votes Entry” tab under the Menu section.
- Enter the “Event No.” for which you want to cast vote.

Event No. can be viewed on the home page of InstaVote under “On-going Events”.
- Enter “16-digit Demat Account No.” for which you want to cast vote.
- Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
- After selecting the desired option i.e. Favour / Against, click on ‘Submit’.

A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

OR

METHOD 2 - VOTES UPLOAD

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- After successful login, you will be able to see the “Notification for e-voting”.
- Select “View” icon for “Company’s Name/Event number”.
- E-voting page will appear.
- Download sample vote file from “Download Sample Vote File” tab.
- Cast your vote by selecting your desired option ‘Favour / Against’ in the sample vote file and upload the same under “Upload Vote File” option.
- Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 - 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on “Login” under ‘SHARE HOLDER’ tab.
- Click “forgot password?”
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case shareholders have a valid email address, Password will be sent to his/her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Click “forgot password?”
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 09/2024 dated 19.09.2024, the Companies can conduct their AGMs/ EGMs on or before 30 September 2025 by means of Video Conference (VC) or other audio-visual means (OAVM).

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

- Visit URL: <https://instameet.in.mpms.mufg.com> & click on “Login”.
- Select the “Company” and ‘Event Date’ and register with your following details:

E. Demat Account No. or Folio No:

Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.

Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – shall provide Folio Number.

F. PAN:

Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

G. Mobile No: Enter your Mobile No.

H. Email ID: Enter your email Id as recorded with your DP/ Company.

- Click “Go to Meeting”

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

- Shareholders who would like to speak during the meeting must register their request Five (5) days in advance with the company on cs@qualitypower.co.in.
- Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
- Shareholders will receive “speaking serial number” once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
- Other shareholder who has not registered as “Speaker Shareholder” may still ask questions to the panellist via active chat-board during the meeting.

*Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

- a) On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
- b) Enter your 16-digit Demat Account No./Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET
- c) Click on 'Submit'.
- d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- f) After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 - 4918 6000 / 4918 6175.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

As required under section 102 of the Companies Act, 2013 the following statement sets out all material facts relating to the Special Business mentioned in the accompanying AGM Notice.

Item No 5

Continuation of the Directorship of Mrs. Chitra Pandyan (DIN: 02602659), as Whole-time Director who will attain the age of Seventy (70) years in this financial year:

Pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Chitra Pandyan (DIN: 02602659), Whole-time Director, designated as Executive Director of the Company, retires by rotation at this meeting.

Considering her valuable contributions towards the business growth, since the incorporation of the Company, the Board of Directors have recommended her re-appointment as a Director liable to retire by rotation. The re-appointment of Mrs. Chitra Pandyan as a Director, shall not in any way constitute a break in her existing office as the Executive Director of the Company. The resolution is proposed to be passed as a Special Resolution, considering continuation of her Directorship after attaining the age of 70 years on November 12, 2025.

The detail of the ensuing re-appointment of Mrs. Chitra Pandyan, is provided in accordance with the Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standard - 2 (SS-2) of the Institute of the Company Secretaries of India, as an annexure and forms part of this Notice and the Explanatory Statement.

None of the Directors, Key Managerial Personnel and the Relatives, except the Mrs. Chitra Pandyan (appointee), her spouse Mr. Thalavidurai Pandyan, Chairman & Managing Director, and her son Mr. Bharanidharan Pandyan, (Jt. Managing Director), Daughter-in-law Mrs. Nivetha Bharanidharan (GM Power Commodities Division). may be deemed to be concerned or interested directly or indirectly, financially or otherwise in the proposed resolution.

The Board of Directors of your Company accordingly recommends the resolution as set out in Item no.5 of the accompanying notice for the approval of the members as a Special resolution.

Item No.6:

Approval for Payment of Remuneration to Non-executive Directors:

Considering the expanded activities of the Company and the valuable contributions of the Independent Directors of the Company, the Board of Directors has proposed to compensate the Non-Executive Independent Directors of the Company in proportion to their contributions to the business of the Company.

In terms of the second proviso to sub-section (I) of Section 197 of the Companies Act, 2013, read with schedule V and the rules made thereunder, except with the approval of the Members of the Company in General Meeting, the remuneration payable to Directors who are neither Managing Directors nor whole-time Directors shall not exceed (A) one percent of the net profits of the Company, if there is a Managing or whole-time Director or Manager; (B) three percent of the net profits in any other case. Considering the contributions by the Independent Directors to the business of the Company, the Board has proposed to compensate the Independent Directors adequately upto an aggregate of 5% of the net profit of the Company in every Financial Year, to be appropriated equally or otherwise.

The Board of Directors of the Company has proposed, subject to the approval of the members of the Company pursuant to the Regulation 17(6)(c)(ca) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to pay Mr. Rajendra Iyer, the Independent Non-Executive Director of the Company Rs. 44 Lakhs or such other higher amount / percentage of profit within the above-mentioned 5% of the net profits of the Company, in any financial year. In terms of the Regulation 17(6)(c)(ca) of the SEBI (LODR) Regulations, the approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

The Board of Directors recommends the resolution to be passed as a Special Resolution as per the provisions of Section 197 of the Companies Act, 2013 ("the Act"), read with Schedule V thereof and the Rules made thereunder, and Regulation 17(6)(c)(ca) of the SEBI LODR for payment of commission / remuneration to the Non-Executive Directors of the Company,

- a) in excess of the limit of 1%, as stipulated in clause (ii) (A) of the first proviso to subsection (I) of section 197 of

the Companies Act 2013, payable to Non- Executive Directors of the Company in any financial year to 5% of the net profits of the Company, computed in the manner laid down in Section 198 of the Companies Act, 2013;

- b) with liberty to the Board of Directors of the Company to appropriate the amount payable amongst the Non-Executive Directors equally or otherwise, as may be decided from time to time; and
- c) to pay Mr. Rajendra Sheshadri Iyer, the Independent Non-Executive Director of the Company Rs. 44 Lakhs or such other higher amount / percentage of profit within the above-mentioned 5% of the net profits of the Company, in any financial year, payable to a single non-executive director exceeding fifty per cent of the total annual remuneration payable to all non-executive directors, viz.

Name of Non-Executive Independent Director	Amount in Rs.
Mr. Rajendra Sheshadri Iyer	44,00,000/-
Mr. Shailesh Kumar Mishra	24,00,000/-
Mr. Sadayandi Ramesh	As may be decided by Board/ Committee
Mrs. Pournima Suresh Kulkarni	As may be decided by Board/ Committee

Except Mr. Rajendra Sheshadri Iyer, Mr. Shailesh Kumar Mishra, Mr. Sadayandi Ramesh, and Mrs. Pournima Suresh Kulkarni, the Non-Executive Independent Directors of the Company, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, except to the extent of their shareholding, in the proposed for approval of members of the Company, as set out at Item No. 6 of the Notice.

Item No.7:

Approval for giving Loans/Guarantees or providing securities:

As per the corresponding provisions of section 186 (3) read with the Rules framed there under and other applicable provisions, if any, of the Companies Act, 2013, no Company shall directly or indirectly, without prior approval by means of special resolution passed at a general meeting, give any loan to any person or other body corporate, give any guarantee or provide any security in connection with a loan to any other body corporate or person and acquire by way of subscription, purchase or otherwise the securities of any other body corporate exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

In order to support its business activities, the Company may be required to give loans / any other form of debt to any person or other body corporate and / or give guarantee to the Banks and financial institutes for purchase of machinery, equipments, and others / or provide security in connection with a loan / any other form of debt to any other body corporate or person and to make investment or acquire by way of subscription, purchase or otherwise the securities of any other body corporate including the group companies and sister concerns as well as related parties, in excess of the limits prescribed under the Companies Act, 2013 and rules made there under.

After implementation of the Companies Act, 2013, it is necessary to obtain approval of the shareholders under the new Act, 2013, by means of a Special Resolution, authorizing the Board to exercise aforesaid powers, up to maximum amount of Rs. 1,000 Crore (Rupees One Thousand Crore only) outstanding at any point of time notwithstanding that the aggregate amount of all the loans / guarantees / securities / investments so far made together with the proposed loans / guarantees/ securities / investments to be made, exceeds the prescribed limits under the Companies Act, 2013 viz. over and above the limit of sixty per cent of the paid-up share capital, free reserves and securities premium account of the Company or one hundred per cent of free reserves and securities premium account of the Company, whichever is more.

The Board of Directors of your Company accordingly recommends the Resolution as set out in Item No. 7 of the accompanying Notice for the approval of members of the Company as a Special Resolution.

None of the directors or managers or key managerial personnel of the Company or their respective relatives are interested in these resolutions.

Item No. 8:

To appoint Secretarial Auditor for a Term of Five Years:

The Board of Directors of the Company on the recommendation of Audit Committee, recommended appointment of CS Abhay R. Gulavani, a peer reviewed Practicing Company Secretary (FCS 10668; COP No. 10741), Sangli, as Secretarial Auditor of the Company for the term of 5 (five) consecutive years from 1st April, 2025 to 31st March, 2030, subject to the approval of the members of the Company at this Annual General Meeting.

CS Abhay R. Gulavani, Secretarial Auditors have vast expertise in Companies Act matters, Listing Compliances, ROC and Banking matters, etc. Before recommending his appointment, the Audit Committee considered various parameters like capability to serve a diverse and audit, market standing of the firm, clientele served, technical knowledge etc., and found CS Abhay R. Gulavani, to be best suited to handle the Secretarial Audit of the Company.

CS Abhay R. Gulavani, Practicing Company Secretary, (FCS 10668; COP No. 10741) being eligible, has indicated his willingness to serve as Secretarial Auditors of the Company for term 5 (five) consecutive years. Their appointment as Secretarial Auditors, if approved, by the members of the Company, will take effect from the 1st April, 2025 to 31st March, 2030.

Further, CS Abhay R. Gulavani, Practicing Company Secretary, (FCS 10668; COP No. 10741) have confirmed that their appointment, if made at this Annual General Meeting, shall be in accordance with the provisions of the SEBI Listing Regulations, Companies Act and Company Secretaries Act, 1980 and the rules and regulations made there under.

In addition to the fees, any other fees for certification and other permissible services under Regulation 24A(1)(b) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 the Secretarial Auditors may be paid at such rate as may be agreed between the Secretarial Auditors and Management of the Company.

None of the Promoters /Directors / Key Managerial Personnel of the Company / their respective relatives, are, in anyway, concerned or interested, financially or otherwise, in the ordinary resolution set out at Item no. 8 of the Notice

Item No. 9

To ratify the remuneration of Cost Auditors for the financial year ending 31st March 2026:

The Audit Committee & the Board of Directors in their meeting, have approved the appointment of CMA, Mr. Rupesh Sunil Kale, Practicing Cost Accountant, (M. No. 51450; Firm Reg. No 005473), for the Financial Year 2025-26 at a remuneration of Rs 1,00,000/- (Rupees One Lakh only) plus reimbursement of out of pocket expenses plus Taxes as applicable, subject to the ratification by the shareholders in the ensuing annual general meeting. Accordingly, the ratification of the remuneration is proposed for your approval.

The Board of Directors of your Company accordingly recommends the Resolution as set out in Item No.9 of the accompanying Notice for the approval of members of the Company as a Ordinary Resolution.

None of the Promoters /Directors / Key Managerial Personnel of the Company / their respective relatives, are, in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

By Order of the Board of Directors
For **QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED**

Registered Office:

Plot No L-61, M.I.D.C. Kupwad Block,
Sangli, Maharashtra 416 436
CIN: L31102PN2001PLC016455
Website: www.qualitypower.com

Date: 07th August, 2025
Place: Sangli

Deepak Ramchandra Suryavanshi
Company Secretary & Compliance Officer
ACS: 27641

Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standard 2, in respect of the Director seeking re-appointment

Name of Director & DIN	Mrs. Chitra Pandyan DIN: 02602659
Nature of Employment:	Whole Time Director
Date of Birth (Age in years)	12-11-1955 (69 Years)
Date of Appointment	20.09.2001
Qualifications	Matriculation
Expertise in specific functional areas	Administrative Management since the incorporation of the Company.
Fulfilment of Skill and Capabilities for Role (for Independent Directors)	Not Applicable
Terms and conditions of appointment / re-appointment	Appointment of Whole Time Director for a period of 3 years w.e.f. 01 st March, 2024.
Details of remuneration	Rs 49,50,000/- per annum
Details of shareholding in the Company	500 Equity Shares of Rs 10/- each
Relationship with other Directors/Key Managerial Personnel (if any)	Spouse of Mr Thalavaidurai Pandyan, Chairman & Managing Director. Mother of Mr Bharanidharan Pandyan, Joint Managing Director of the Company.
Number of Board meetings attended during the year	7 (Seven)
Listed entities from which Director resigned in the past three years	Nil
Directorships in other Listed companies (excluding foreign companies)	Nil
Memberships of Committees in other Listed companies (excluding foreign companies)	Nil

Board's Report

To the Shareholders Quality Power Electrical Equipments Limited

Dear Shareholders,

The Board of Directors present the 24th Annual Report of Quality Power Electrical Equipments Limited (the "Company") – first, post IPO – providing the detail of Your Company's remarkable growth and performance along with the Audited Standalone & Consolidated Financial Statements for the Financial Year ended March 31, 2025.

1. FINANCIAL RESULTS

The brief standalone and consolidated financial results of the Company are as shown below:

Amount in INR Million

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Total Income	1557.29	1336.79	3923.47	3315.92
Total Expenditure (including Depreciation)	1162.85	1099.59	2784.59	2686.01
Profit before Tax	394.44	237.20	1138.88	629.90
Less: Exceptional Items	NIL	0.10	16.25	(2.66)
Profit after Extra-ordinary items	394.44	237.10	1122.63	632.57
Tax Expenses	91.33	61.66	121.14	77.81
Profit After Tax	303.11	175.44	1001.49	554.76
EPS (Amt in Rs)	4.17	2.43	9.10	5.19

2. CONSOLIDATED FINANCIAL STATEMENTS

Consolidated financial statements of your Company and its subsidiaries as at March 31, 2025, are prepared in accordance with the Indian Accounting Standard (Ind AS) 110 on 'Consolidated Financial Statements' notified by the MCA and forms part of this Annual Report.

Balance Sheet Coverage: A Robust Financial Foundation

First and foremost, I would like to emphasize the importance of a strong balance sheet in ensuring long-term sustainability for any business. For Quality Power, FY 2024-25 has been a year where we not only strengthened our financial foundation but also unlocked new growth opportunities that promise to deliver sustainable returns in the future. Our balance sheet reflects prudent management of assets and liabilities, maintaining a healthy ratio that positions us well for future expansion.

Over the course of the year, we have improved cash flow management, ensuring liquidity to support both our ongoing operations and investments in new projects. The prudent allocation of capital, combined with a rigorous approach to cost control, has contributed to our improved equity position. Our debt levels remain well within manageable limits, and we have optimized our working capital cycle, which has allowed us to maintain a strong cash position throughout the year.

In terms of profitability, our operational efficiency and the successful execution of high-margin projects have enabled us to deliver robust earnings. This solid financial performance underpins the confidence we have in continuing to invest in high-potential areas such as High Voltage Direct Current (HVDC) systems

and Flexible AC Transmission Systems (FACTS). These emerging markets represent a major opportunity for Quality Power to expand its product offerings and services in the global energy transition.

Growth Opportunities in HVDC and FACTS

FY 2024-25 has been a defining year for Quality Power in terms of qualifying for and securing new business in the HVDC and FACTS sectors. These advanced power transmission technologies are critical for modernizing electrical grids and enabling the integration of renewable energy sources, a core aspect of global energy strategies.

I am pleased to report that we have successfully qualified for several large HVDC projects, positioning us as a key player in this high-potential market. The global demand for HVDC systems is increasing as governments and utilities look to enhance the efficiency and reliability of their electrical networks. Our expertise in power quality and the design of custom-engineered equipment has allowed us to tap into this growing sector, and we are confident that our continued focus on HVDC will contribute to significant revenue growth in the coming years.

Additionally, our work in the FACTS domain has gained substantial momentum. FACTS technologies, which improve the flexibility and stability of power systems, are increasingly in demand as utilities around the world seek to upgrade their grids to manage higher levels of renewable energy integration. We have secured several new orders for FACTS-related equipment, which will not only enhance our revenue streams but also further establish Quality Power as a leader in advanced power management solutions.

Our ability to qualify for these complex and technically demanding projects speaks volumes about the depth of our engineering capabilities and our commitment to delivering world-class solutions. As these opportunities grow, we are well-positioned to benefit from increased demand for HVDC and FACTS solutions across multiple geographies.

Expansion into New Geographies

One of the key achievements in FY 2024-25 has been our successful expansion into new markets. Quality Power has strategically entered regions where the demand for advanced electrical solutions is on the rise, further diversifying our revenue base and minimizing geographical risk.

This year, we made significant inroads into regions such as Scandinavia, where we have been awarded orders for high-voltage equipment, including air core reactors and transformers. These orders represent not just the immediate financial benefit of new contracts but also a long-term foothold in markets where grid modernization and energy transition are top priorities. We have also secured new contracts in the Europe, Middle East and South East Asia where infrastructure development is booming, and the need for high-quality electrical equipment is critical.

Our expansion into these new geographies will have a lasting impact on our revenue generation in the years to come. By establishing local partnerships and tailoring our solutions to meet the specific needs of each market, we are not only growing our customer base but also reinforcing our position as a global leader in power quality solutions.

New Orders and Future Outlook

FY 2024-25 has also been a year of substantial new order intake, which further strengthens our outlook for FY 2025-26 and beyond. Our sales teams have worked diligently to secure significant contracts, many of which are multi-year projects, ensuring a steady pipeline of work that will contribute to our financial performance in the coming years.

Among the most notable wins are large-scale projects in Europe and Asia, where we have been entrusted with the supply of custom-engineered transformers and reactors for some of the world's most critical energy infrastructure projects. These orders reflect the trust that our customers place in Quality Power to deliver high-quality, reliable solutions that meet the rigorous demands of modern electrical networks.

In addition to these major projects, we have also expanded our presence in the renewables sector, where our expertise in power quality is particularly valuable. As the world continues to shift towards cleaner energy sources, our role in enabling the integration of wind and solar power into the grid will become increasingly

important. This trend offers us a significant growth opportunity, and we are actively working to capture more market share in this space.

Looking ahead, our strong order book provides a solid foundation for future growth. We have carefully selected projects that align with our core strengths, and our focus on high-value, high-margin work ensures that we will continue to deliver strong financial results in the years to come.

3. ADOPTION OF INDIAN ACCOUNTING STANDARDS (IND AS)

The Company has adopted Indian Accounting Standards (Ind AS). Accordingly, the standalone financial statements of the Company for the financial year ended March 31, 2025, have been prepared in accordance with Ind AS as prescribed under section 133 of the Companies Act, 2013 (the "Act"), read with the relevant rules made there under and other accounting principles generally accepted in India.

4. BUSINESS OPERATIONS

Your Company is engaged in the business of Manufacturing of High Voltage Electrical Equipments.

Your Company has earned net profit after tax of Rs. 303.11 millions for the financial year ended 31st March, 2025, as compared to a net profit after tax of Rs. 175.44 million for the previous financial year.

The Total Revenue from operations earned during the year is Rs. 1524.27 millions for the financial year ended 31st March, 2025 as compared to revenue of Rs. 1296.08 million in the previous financial year.

Our performance this year reflects a consistent drive towards growth, innovation, and financial strength, and our balance sheet is a testament to the prudent strategies we have employed to navigate both challenges and opportunities in the global market.

5. CHANGE IN NATURE OF BUSINESS, IF ANY

During the year under review there was no change in the business of the Company.

6. TRANSFER TO RESERVES

Your Board of Directors has not recommended transfer of any amount of profit to reserves during the year under review. The Company has not transferred any amount from reserves and not withdrawn any amount from the reserves during the year.

For complete details on movement in Reserves and Surplus during the financial year ended March 31, 2025, please refer to the 'Statement of Changes in Equity' included in the standalone financial statements.

7. DIVIDEND

The Board recommends, subject to the approval of the members of the Company, a payment of dividend of Re.1 (Rupees One Only) per equity share of the face value of Rs.10/- (Rupees Ten only) each on 2,02,04,640 Equity Shares of Rs.10/- each equivalent to Rs.2,02,04,640/- to the Non-promoter shareholders for the financial year ended 31st March, 2025.

The Promoters and the Promoter group of the Company have waived their right to receive the dividend on 5,72,39,460 (74.90%) Equity shares of Rs. 10/- each amounting to Rs. 5,72,39,460/-

The dividend on equity shares is subject to the approval of the shareholders at the ensuing Annual General Meeting. Dividend will be paid to those Non-promoter equity shareholders whose names appear in the Register of Members as on 18th September, 2025 in respect of shares held in dematerialised form. The dividend shall be paid on the basis of the beneficial ownership as per the details furnished by the Depositories for this purpose at the end of business hours on 18th September, 2025.

Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board

of Directors of the Company formulated and adopted the Dividend Distribution Policy (the 'Policy').

The dividend recommendation is in accordance with the Policy of the Company. The dividend will be paid out of the profits for the year. The Policy is available on Company's website and is accessible through <https://qualitypower.com/wp-content/uploads/2024/07/Dividend-Distribution-Policy.docx.pdf>.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders effective 01 April, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

8. PUBLIC DEPOSITS

Your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014 during the financial year 2024-25. Further, there are no unclaimed or unpaid deposits lying with the Company for the year under review. Hence the requirement for furnishing details of deposits within the meaning of the Chapter V of the Companies Act, 2013 is not applicable to the company.

9. Subsidiaries, Joint Ventures & Associates

9.1 Subsidiaries

a) Details of Subsidiaries

As on 31 March 2025, the Company had 4 (Four) Subsidiaries as detailed below:

S. No.	Name of the Subsidiary	Date of creation of interest	Nature of Interest	Location
i.	Quality Power Engineering Projects Private Limited	14-10-2009	Subsidiary	India
ii.	S&S Transformers and Accessories Private Limited	29-04-2009	Wholly-owned Subsidiary	India
iii.	Endoks Enerji Anonim Sirketi (Formerly known as Endoks Enerji Dagitim Sistemleri Sanayi Ithalat ve ihracat Limited Sirketi)	22-05-2011	Step down Subsidiary	Turkey
iv.	Mehru Electrical and Mechanical Engineers Private Limited	06-03-2025	Material Subsidiary	India

b) Financial Performance of Subsidiaries

Pursuant to Section 129(3) of the Companies Act, 2013 ('the Act'), a statement containing salient features of the Financial Statements of each of the subsidiaries and Joint Venture Company in the prescribed **Form AOC-1** is set out in **Annexure I** to this report. The financial statements of the subsidiaries are available for inspection by the members at the Registered Office of the Company pursuant to the provisions of Section 136 of the Act and also available on the Company's website. The financial performance of the subsidiaries of the Company are detailed below:

i) Quality Power Engineering Projects Private Limited

Quality Power Engineering Projects Private Limited was incorporated as a Private Limited Company on 14th October 2009 under the Companies Act, 1956, having its registered office in Sangli, Maharashtra, India. It is engaged, inter alia, in the business of Design, Engineering, Procurement, Supply, Installation and Commissioning of Electrical, Energy, Power & Engineering-based manufacturing, industrial, utility and civil projects. The Company holds 98% equity shares in Quality Power Engineering Projects Private Limited.

During the year under review, the financial performance of Quality Power Engineering Projects Private Limited was as follows:

Amount in INR Million

Sr. No.	Particulars	31st March 2025	31st March 2024
a)	Income from operations	133.80	125.38
b)	Profit Before Tax	28.88	31.79
c)	Profit After Tax	21.22	23.62

ii) Mehru Electrical & Mechanical Engineers Private Limited

Mehru Electrical & Mechanical Engineers Private Limited was incorporated as a Private Limited Company under the Companies Act, 1956, having its registered office in Bhiwadi, Alwar, Rajasthan, India. It is engaged, inter-alia, in the business of to manufacture, trade, sell, import, export, fabricate, assemble, take agency and otherwise deal in control and realy panels, switch gear panels, current transformers (CT), potential transformers (PT) stabligers, inverter, UPS capacitors, resistors, theristors, all kind of transformers, electric generators and cables, all other electrical substation equipments and electrical goods. The Company holds 51% equity shares in Mehru Electrical & Mechanical Engineers Pvt. Ltd.

Acquisition of Mehru Electrical and Mechanical Engineers Private Limited:

The Company on 06th March, 2025, has executed and completed the Share Purchase Agreement 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, Mrs. Sarika Jadhav, Sr. Vice President Finance 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.

During the year under review, the financial performance of Mehru Electrical & Mechanical Engineers Private Limited was as follows:

Amount in INR Million

Sr. No.	Particulars	31st March 2025	31st March 2024
a)	Income from operations	*257.02	2184.52
b)	Profit Before Tax	*38.61	137.98
c)	Profit After Tax	*29.40	102.23

* The figures considered for the period from 6th March 2025 (date of acquisition) to 31st March 2025

iii) S&S Transformers and Accessories Private Limited

S&S Transformers and Accessories Private Limited was incorporated as a Private Limited Company under the Companies Act, 1956, having its registered office in Aluva, Ernakulam, Kerala, India. It is engaged, inter-alia, in the business of Manufachfers, Processors, Inventors, Converters, Importers, Exporters, Traders, Buyers, Sellers, Wholesalers, Suppliers, Distributors" Consignors, Brokers or otherwise deal in Transformers and Components, Electrical Equipments, Engineering items of all kinds and varieties. The Company holds 100 % equity shares in S&S Transformers and Accessories Private Limited

Acquisition of S&S Transformers and Accessories Private Limited:

The Company on 22nd January, 2019, has executed and completed the Share Purchase Agreement for acquisition of 1,16,350 equity shares of face value of Rs.100/- each, representing 100 % of the Equity Share Capital of S&S Transformers and Accessories Private Limited ("S&S") from the Promoters of S&S.

Consequently, S&S Transformers and Accessories Private Limited has become 100 % subsidiary of Quality Power Electrical Equipments Limited. Mr. P T Pandyan and Mr Bharanidharan Pandyan are on the Board of Directors of S&S Transformers and Accessories Private Limited.

During the year under review, the financial performance of S&S Transformers and Accessories Private Limited was as follows:

Amount in INR Million

Sr. No.	Particulars	31 st March 2025	31 st March 2024
a)	Income from operations	Nil	Nil
b)	Profit Before Tax	(2.80)	0.97
c)	Profit After Tax	(2.80)	0.97

9.2 Joint Venture & Associate Company:

The Company doesn't have any other Joint Venture & Associate Companies.

10. PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS UNDER SECTION 186

The Company has not given any loans or guarantees to the parties falling within the purview of section 186 during the year. Further, Company in its EOGM held on 23rd March 2024 has passed a Special Resolution for approval of the Limits U/s 186 of the Act, upto an amount of Rs 300 Crore.

11. DIRECTORS/KMP DETAILS OF APPOINTMENT / CESSATION AND REAPPOINTMENT

- a. Mrs. Chitra Pandyan aged 69 years, is liable to retire by rotation at this AGM & being eligible offers herself for reappointment. Being a fit and proper person, the Board intends to reappoint her as a Director. The necessary resolution for the re-appointment of Mrs. Chitra Pandyan, forms part of the AGM notice.

Mr. Thalavaidurai Pandyan aged 70 years, was re-appointed at the last Annual General Meeting.

b. Detail of appointment of Independent Director:

Name of Non-Executive Independent Director	Date of Appointment
Mr. Rajendra Sheshadri Iyer	15-02-2024
Mr. Shailesh Kumar Mishra	15-03-2024
Mr. Sadayandi Ramesh	15-03-2024
Mrs. Pournima Suresh Kulkarni	15-02-2024

There were no re-appointment / appointment of Independent Directors during the year.

c. Key Managerial Personnel (KMPs)

The following are the Whole-time Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name	Designation	Date of Appointment
Mr Thalavaidurai Pandyan	Chairman & Managing Director	15-02-2024
Mr Bharanidharan Pandyan	Joint Managing Director	15-02-2024
Mrs Chitra Pandyan	Whole Time Director	15-02-2024
Mr Mahesh Saralaya	Whole Time Director	15-02-2024
Mr Rajesh Jayaraman	Chief Financial Officer	15-02-2024
Mr Deepak Ramchandra Suryavanshi	Company Secretary & Compliance Officer	06-06-2024
Mr Tushar Deshpande	Company Secretary & Compliance Officer	Date of Cessation 02-05-2024

12. BOARD MEETINGS

During the year, 7 (Seven) Board Meetings were convened and held. The details of Board Meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

to the Company at the time of their appointment and at the first meeting of the Board of Directors in every financial year confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations and there has been no change in the circumstances which may affect their status as an independent director during the year.

13. DECLARATION BY INDEPENDENT DIRECTOR(S)

In accordance with the Section 149(7) of the Act, each Independent Director has given a written declaration

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to

the Companies Act, 2013 along with code of conduct for all members of board in terms of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs. There were no changes amongst the independent Director during the year. Weblink for the details of appointment of independent Directors is given below.

<https://qualitypower.com/management/>

14. FAMILIARISATION PROGRAMS

In compliance with the requirements of Listing Regulations, the Company has put in place a frame work for Directors' Familiarisation Programme to familiarize the Independent Directors with their roles, rights and responsibilities, strategy planning, manufacturing process, subsidiaries business strategy, amendments in law, Company's codes and policies, environmental aspects, factory visit, products experience centres, nature of the industry in which the Company operates, amongst others.

The details of the familiarisation programme conducted during the financial year under review are explained in the Corporate Governance Report. The same is available on the Company's website and are accessible through weblink.

<https://qualitypower.com/wp-content/uploads/2024/07/Familiarization-Program-for-Independent-Directors.doc.pdf>

15. COMMITTEES OF THE BOARD

The Company has duly constituted the following mandatory Committees in terms of the provisions of the Act & Listing Regulations read with rules framed there under viz.

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders' Relationship Committee;
- d) Corporate Social Responsibility Committee;
- e) Risk Management Committee and;
- f) Merger and Acquisition Committee (M & A Committee)

The Composition of all above Committees, the number of meetings held during the year under review, brief

terms of reference and other details have been provided in the Corporate Governance Report which forms part of this Annual Report. All the recommendations made by the Committees were accepted by the Board.

16. BOARD EVALUATION

The Board of Directors has conducted an annual assessment of its own performance, Board, Committees, and individual Directors pursuant to Section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and SEBI LODR.

The Board has sought inputs from all the directors based on the criteria such as Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members based on the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board concluded that all Committees were discharging their functions effectively.

In separate meeting of independent directors held on 31st March 2025, the performance of non-independent directors, the Chairman, and the Board as a whole was evaluated. The same was also discussed in the meetings of Nomination and Remuneration Committee and the Board. Performance Evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

17. NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for the selection and appointment of Directors, Senior Management, and their remuneration and includes other matters as prescribed under the provisions of Section 178 of Companies Act and Regulation 19 of SEBI (LODR) 2015. The Nomination & Remuneration Policy is available on the website of the Company on the following link.

<https://qualitypower.com/wp-content/uploads/2024/07/Nomination-and-Remuneration-Policy.doc.pdf>

18. INITIAL PUBLIC OFFER (IPO)

During the financial year 2024-25, the Company successfully launched an Initial Public Offer (IPO) of 2,02,04,400 equity shares of face value of Rs. 10 each for cash, at an offer price of Rs. 425 per equity share (including a premium of Rs.415/- per equity share) aggregating to 858.69 Crores comprising of Fresh issue of 52,94,100 Equity Shares and Offer for Sale of 1,49,10,500 Equity Shares.

The Board remains grateful to all investors for their overwhelming response to the IPO.

7,74,44,100 Equity Shares of the Company have been listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) w.e.f. February 24, 2025. The Company's shares are compulsorily traded in dematerialized form.

As of March 31, 2025, 100% Shares of the Company are held in demat form. The listing fees for the year 2024-25 and 2025-26 have been paid to both BSE as well as NSE.

19. CHANGE IN PAID-UP SHARE CAPITAL

Since there was primary issuance of shares, the paid-up share capital of the Company has been increased from Rs. 72,15,00,000 to Rs. 77,44,41,000. The equity shares were allotted to eligible applicants on February 20, 2025, and the listing and trading of the Company's shares commenced on February 24, 2025 on BSE Limited and National Stock Exchange of India Limited. The authorised share Capital of the Company is Rs. 100 Crores and the paid-up Equity share Capital of the Company is Rs. 77,44,41,000 as on 31st March 2025.

20. DIRECTORS' RESPONSIBILITY STATEMENT

Under the provisions of Section 134(5) of the Companies Act, 2013, we confirm that-

- i] that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii] that the selected such accounting policies and applied them consistently and made a judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- iii] the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv] the directors had prepared the annual accounts on a going concern basis;
- v] the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi] the directors had devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation 34(2)(e) of Listing Regulations is presented in a separate section forming part of the Annual Report.

22. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT, IF ANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year, i.e., March 31, 2025, and the date of this report.

23. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND & UNPAID DIVIDEND

During the financial year under review, the Company was not required to transfer any funds or equity shares to the Investor Education and Protection Fund (IEPF) pursuant to the provisions of Section 125 of the Act. The Company also does not have any unclaimed dividend pending transfer to the Unpaid Dividend Account.

24. CORPORATE GOVERNANCE

Our Company has been following good Corporate Governance since its inception. The shares of our Company are listed on BSE Limited. (formerly Bombay Stock Exchange Ltd.), and the National Stock Exchange of India Ltd. on 24th February 2025. We are regularly and timely complying with the requirements as per the Listing Regulations. The Company has paid the Annual Listing Fees for the Financial Year 2024-25 and also for 2025-26. As required by SEBI Guidelines, a Corporate Governance Report is annexed.

25. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Details of conservation of energy, technology absorption, foreign exchange earnings, and outgo pursuant to Section 134 (3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure-II** with this report.

26. AUDITORS' AND AUDITORS' REPORT

Statutory Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013, the members of the Company at its 23rd Annual General Meeting (AGM) held on September 28th, 2024 had appointed M/s. Kishor Gujar and Associates, Chartered Accountants, (FRN: 116747W), as the Statutory Auditors of the Company for a period of five years i.e. up to the conclusion of the 28th AGM of the Company.

M/s. Kishor Gujar and Associates, Chartered Accountants (FRN: 116747W) had confirmed that they are not disqualified from continuing as Auditors of the Company.

The Auditors' Report on Standalone and Consolidated Financial Statements for the financial year 2024-25 issued by M/s. Kishor Gujar and Associates Chartered Accountants, does not contain any qualification, observation, disclaimer, reservation, or adverse remark.

Cost Auditors

The Board had appointed CMA Mr. Rupesh Kale, Practicing Cost Accountant, (M.No. 51450), as Cost Auditor for conducting the audit of cost records of the Company for the Financial Year 2024-25. The Cost Audit Report of the Company for the Financial Year ended March 31, 2025 will be filed with the MCA after its noting by the Board. The Company has maintained accounts and records as specified under sub-section (1) of 148 of the Act.

R. S. Kale & Co. (Firm Registration No 005473) have been appointed as the Cost Auditor, as per Section 148 of the Act, read with applicable rules made thereunder, for the Financial Year 2025-26. Their remuneration is subject to ratification by the Members at the ensuing Annual General Meeting.

27. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed a peer reviewed CS Abhay Gulavani, Company Secretary in Practice, Miraj (Membership No F10668; COP No 10741) to undertake the Secretarial Audit of the Company who has consented to the same. The Report of the Secretarial Audit Report is annexed herewith as **Annexure-III**. The observations made in the report and our reply to the observation are self-explanatory.

Mehru Electrical & Mechanical Engineers Private Limited, a material subsidiary of the Company carried out Secretarial Audit for the Financial Year 2024-25 pursuant to Section 204 of the Act and Regulation 24A of the SEBI Listing Regulations, 2015. The Secretarial Audit Report of Mehru Electrical & Mechanical Engineers Private Limited submitted by ARMS & Associates LLP, Practicing Company Secretaries (LLPIN: AAD-6272), is attached as **Annexure-IV** to this Report, and it does not contain any qualification, reservation or adverse remark or disclaimer.

28. CORPORATE SOCIAL RESPONSIBILITY

CSR provisions are applicable to the Company as per Section 135 of the Companies Act, 2013, read with rules and Schedule framed thereunder. During the year under review, the Company has carried out various

CSR activities as per the CSR Policy of the Company. The Annual Report on CSR Activities as required under the Companies (Corporate Social Responsibility) Rules, 2014 has been appended as **Annexure-V** and forms an Integral part of this report.

The Committee has formulated a policy for CSR Activities and is placed on the website of the Company at <https://qualitypower.com/wp-content/uploads/2024/10/CSR-Policy-1.pdf>

29. INTERNAL FINANCIAL CONTROL

The Company has Internal Financial Controls with proper checks and balances to ensure that transactions are properly authorised, recorded, and reported, apart from safeguarding its assets. These systems are reviewed and improved regularly.

The Internal Financial Controls followed by the Company are adequate and commensurate with the size and nature of the business, and were operating effectively during the year under review.

30. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The transactions entered into by the Company during the year were within the limits of the Powers of the Board as prescribed in Section 188 read with Companies (Meetings of Board & its Powers) Rules, 2014. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel, other designated persons, or other related parties which may have a potential conflict with the interest of the Company at large.

The Company has taken Omnibus approval of the Audit Committee for the Related Party Transaction. All Related Party Transactions were placed before the Audit Committee and the Board for their approval.

The policy on Related Party Transactions as approved by the Board, is uploaded on the Company's website.

Details relating to Related Party Transactions are shown in Form No. AOC-2: (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) is attached as **Annexure VI**.

31. PARTICULARS REQUIRED AS PER SECTION 134 OF THE COMPANIES ACT, 2013

As per Section 134 of the Companies Act, 2013 (the 'Act'), your Company has provided the Consolidated financial statements as on March 31, 2025. Your Directors believe that the consolidated financial statements present a more comprehensive picture as compared to standalone financial statements. These

documents are available for inspection during business hours at the Registered Office of your Company and the respective subsidiary companies. A statement showing the financial highlights of the subsidiary companies is enclosed to the consolidated financial statements. The Annual Report of your Company does not contain full financial statements of the subsidiary companies, however, your Company will make available the audited annual accounts and related information of the subsidiary companies in soft copy in line with the Ministry of Corporate Affairs (MCA) Circular dated May 5, 2020, and its extensions from time to time upon request by any Member of your Company.

32. SECRETARIAL STANDARDS

Your Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

33. ANNUAL RETURN

The copy of the Annual Return will be placed on website of the Company i.e. www.qualitypower.com once the same is filed with the Registrar of Companies. The Annual Return for the year 2023-24 has been uploaded on the website and can be accessed at website link https://qualitypower.com/wp-content/uploads/2025/02/Form_MGT_7_QPEEL_23-24.pdf.

34. CREDIT RATING

During the year under review, the Company has not taken the credit rating from any agency for Bank facilities.

35. PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review there was no proceeding initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016.

36. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATION IN FUTURE

There are no significant and material orders passed by any regulatory authority, court or tribunal which shall impact the going concern status and company's operations in the future.

37. PARTICULARS OF EMPLOYEES

Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as **Annexure-VII**.

The statement containing particulars of top 10 employees and particulars of employees as required under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as a separate Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders, excluding the aforesaid Annexure. The said statement is also open for inspection. Any member interested in obtaining a copy of the same may write to the Company Secretary. None of the employees listed in the said Annexure are related to any Director of the Company.

38. WHISTLE BLOWER POLICY / VIGIL MECHANISM

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 22 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy / Vigil Mechanism that encourages and supports its Directors & employees to report instances of unethical behavior, actual or suspected frauds or violation of Company's Code of Conduct. It also provides adequate safeguards against the victimization of persons who use this mechanism and direct access to the Chairman of the Audit Committee in exceptional cases. The Whistle Blower Policy / Vigil Mechanism Policy has been posted on web site of the company on the link.

<https://qualitypower.com/wp-content/uploads/2025/04/Whistle-Blower-and-Vigil-Mechanism-Policy.pdf>

No complaint has been received under whistle blower during the year under review.

39. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has adopted policy on prevention, prohibition and redressal of sexual harassment at workplace, in line of the provisions of the Sexual

Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Internal Complaints Committee has been constituted. No complaints were received during the year.

Detailed Reporting on Sexual Harassment Complaints

During the financial year under review, the Company has complied with all the provisions of the POSH Act and the rules framed thereunder. Further details are as follows:

A	Number of complaints of Sexual Harassment received in the Year	0
B	Number of Complaints disposed off during the year	0
C	Number of cases pending for more than ninety days	0

2. MATERNITY BENEFIT: Rule 8(5)(xiii) of Companies (Account) Rules, 2014 The Company affirms that it has duly complied with all provisions of the Maternity Benefit Act, 1961, and has extended all statutory benefits to eligible women employees during the year.
3. Number of employees as on the closure of the financial year.

Male	165
Female	14

40. GENERAL

During the year, there were no transaction requiring disclosure or reporting in respect of matters relating to:

- a) details relating to deposits covered under Chapter V of the Act
- b) issue of equity shares with differential rights as to Dividend, voting or otherwise

- c) issue of shares (including sweat equity shares) to employees of the Company under any scheme;
- d) raising of funds through preferential allotment or qualified institutions placement
- e) instance of one-time settlement with any bank or financial institution
- f) fraud reported by Statutory Auditors
- g) change of nature of business.

41. ACKNOWLEDGMENT

The Board of Directors wish to place on record their appreciation for the co-operation and support of the Company's Bankers, its valued customers, employees and all other intermediaries concerned with the Company's business.

Your Directors are grateful towards all members for supporting and sustaining us during the intricate days. We look forward to your continued support and reiterate that we are determined to ensure that the plans are successfully implemented.

For and on behalf of the Board of Directors of
QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED

Thalavaidurai Pandyan

Chairman & Managing Director
DIN: 00439782

Date: 07th August, 2025
Place: Sangli

ANNEXURE I

Form AOC I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "A" Subsidiaries

(Information in respect of each subsidiary presented with amounts Rs In Millions)

1	Sr No	1
2	Name of the Subsidiary	Quality Power Engineering Projects Private Limited (India Subsidiary)
3	Reporting Period for the Subsidiary concerned, if different from the holding company's reporting period	Same reporting period i.e. 01.04.2024 to 31.03.2025
4	The date since when subsidiary was acquired	14 th October, 2009
5	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	NA
6	Share Capital	53.50
7	Reserves & Surplus	131.59
8	Total Assets	219.65
9	Total Liabilities	219.65
10	Investments	30.34
11	Turnover	133.80
12	Profit Before Taxation	28.88
13	Provision for taxation	7.66
14	Profit after taxation	21.22
15	Proposed dividend	Nil
16	% of Shareholding	98%

1	Sr No	2
2	Name of the Subsidiary	S&S Transformers and Accessories Private Limited
3	Reporting Period for the Subsidiary concerned, if different from the holding company's reporting period	Same reporting period i.e. 01.04.2024 to 31.03.2025
4	The date since when subsidiary was acquired	22nd January, 2019
5	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	NA
6	Share Capital	20.00
7	Reserves & Surplus	(15.13)
8	Total Assets	4.97
9	Total Liabilities	4.97
10	Investments	Nil
11	Turnover	Nil
12	Profit Before Taxation	0.97
13	Provision for taxation	Nil
14	Profit after taxation	0.97
15	Proposed dividend	Nil
16	% of Shareholding	100%

1	Sr No	3
2	Name of the Subsidiary	Mehru Electrical and Mechanical Engineers Private Limited
3	Reporting Period for the Subsidiary concerned, if different from the holding company's reporting period	Same reporting period i.e. 01.04.2024 to 31.03.2025
4	The date since when subsidiary was acquired	06 th March, 2025
5	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	NA
6	Share Capital	10.25
7	Reserves & Surplus	Nil
8	Total Assets	1898.83
9	Total Liabilities	1898.83
10	Investments	11.33
11	Turnover	257.02
12	Profit Before Taxation	38.61
13	Provision for taxation	9.21
14	Profit after taxation	29.40
15	Proposed dividend	Nil
16	% of Shareholding	51%

Note: The following information shall be furnished at the end of the statement:

- 1) Names of subsidiaries which are yet to commence operations: Nil
- 2) Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "A" Associate and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Nil

For Quality Power Electrical Equipments Ltd.

Date: 07-08-2025
Place: Sangli

Thalavaidurai Pandyan
Chairman and Managing Director
(DIN: 00439782)

Bharanidharan Pandyan
Joint Managing Director
(DIN: 01298247)

ANNEXURE II

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Information pursuant to Section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the period ended 31st March, 2025.

CONSERVATION OF ENERGY:

Company continues its efforts to reduce and optimize the energy consumption at all manufacturing facilities, including corporate office through continuous monitoring and high degree of awareness for energy conservation. Company has not made any capital investment on energy conservation equipments.

TECHNOLOGY ABSORPTION

The Company continues to use the latest technologies for improving the productivity and quality of its services and products. The Company has not imported technology during the last three years. Company is continuing its in-house research & development activities mainly in the areas of design development & validation of new products such as Line Trap, Lager TCR & Damping Reactors, etc.

FOREIGN EXCHANGE EARNINGS & OUTGO DURING THE YEAR:

Particulars	Current Year	Previous Year
	2024-25 (Rs.000)	2023-24 (Rs.000)
Expenditure -		
Foreign- Travelling Expenses	590.00	1,055.00
Advance given for Exhibition Expenses	963.92	-
Testing Charges	-	4,416.54
Export Expenses	111.03	16.66
Erection & Commissioning		-
Professional Fees		-
Tender & Registration		-
Royalty, Know-how, Interest etc.		-
Design & Engineering	74.88	24.98
CIF Value of Imported goods	24061.85	42926.45
Additional Details - Foreign Currency Payments - for		
Raw Material	23982.33	40033.06
Asset Purchase	1077.87	2566.67
Employee Professional course fee	-	-
Design Software AMC Charges		-
Advertisement Expenses	11154.42	2447.90
Foreign Bank Guarantee Charges	32.91	116.36
MT (Third Country) Trans	23982.33	-
Total Expenditure	62049.22	92,973.62
Earnings -		
Export FOB Value	693287.89	6,46,038.53
Royalty, Know-how, Professional & Consultation Fees		-
Interest & Dividend		-
Other Income		-
Additional details -		-
Remittances Received in Foreign Currency-Export Sales		-
Towards Exports -		
1) Export Realisation	601755.52	6,47,009.07
2) Advance Against Order		-
Total Remittance Rs.	601755.52	6,47,009.07

For Quality Power Electrical Equipments Ltd.

Thalavaidurai Pandyan

Chairman and Managing Director

(DIN: 00439782)

Date: 07-08-2025

Place: Sangli

ANNEXURE III

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2025

[Pursuant to section 204(l) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Quality Power Electrical Equipments Limited,
Plot No. L - 61, M. I. D. C. Kupwad Block,
Sangli, Maharashtra, India, 416436
(CIN- L31102PN2001PLC016455)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Quality Power Electrical Equipments Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **Quality Power Electrical Equipments Limited**, books, papers, minute books, forms and returns filed and other records maintained by the company in physical form and in soft copies and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit which were made available to us, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the financial year from 1st April, 2024 to 31st March, 2025 and made available to me, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and amendments thereto;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder and amendments thereto;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder and amendments thereto;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:-
 - (a) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018,

- (b) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; and
- (v) As confirmed by the Company, there are no laws specifically applicable to the company.
- (vi) I have also examined compliance with the applicable clauses of the following:
 - (i) Mandatory Secretarial Standards and Auditing Standards issued by The Institute of Company Secretaries of India from time to time.
 - (ii) The uniform Listing Agreements entered into by the Company with BSE Limited & National Stock Exchange of India Limited, the Stock Exchange(s).
- (vii) I am informed that, during the year, Company was not required to comply with the following laws / regulations / agreements / guidelines and consequently not required to maintain any books, papers, records or file any forms, returns under:
 - a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - b) The Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008;

- c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- d) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

During the period under review the Company has adequately complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable, subject to the observations as mentioned in **Annexure-B**:

I further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through. As informed, there were no dissenting views from any Board member that were required to be captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that, during the audit period, there are no specific event / action having a major bearing on the Companies affairs except the point stated below:

1. The shares of the Company were listed on 24-02-2025 on both the stock exchanges in India. The details of listed entity's scrip code on Stock exchange are as under:

Quality Power Electrical Equipments Limited,

CIN – L31102PN2001PLC016455;

Scrip Code – QPOWER 544367 with BSE and

Scrip Code - QPOWER with NSE

2. Company has through an IPO, raised equity capital of Rs 858,69,55,000/- Including share premium of Rs 838,49,09,000/-.

The equity shares of the Company were listed and traded on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from 24-02-2025 after successful completion of Initial Public Offer (IPO) comprising a fresh issue of 52,94,100 equity shares of face value of Rs. 10 each and an offer for sale of up to 1,49,10,500 Equity Shares of face value of Rs. 10 each. All the above referred SEBI Regulations shall be applicable to the Company from 24-02-2025 and therefore the review period shall be from 24-02-2025 to 31-03-2025 for the financial year ended 31-03-2025.

3. On 06th March, 2025, the Company has executed and completed the terms of the Share Purchase Agreement 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.

Abhay R. Gulavani

Practicing Company Secretary

FCS: 10668; CP: 10741

UDIN: F010668G000436764

Peer Review Cert No 1841/2022

Place : Sangli

Date : 27-05-2025

Annexure – A to Secretarial Audit Report of even date

To,
The Members,
Quality Power Electrical Equipments Limited,
Plot No. L - 61, M. I. D. C. Kupwad Block,
Sangli, Maharashtra, India, 416436

My Secretarial Audit Report dated 27-05-2025 for the financial year ended on 31st March, 2025, is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is a part of financial audit. Further we have relied on the report of the auditors in relation to various calculations as required under the Companies Act 2013 including Managerial Remuneration, CSR Provisions, etc.
4. I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required. Details of the directorships in other companies, their status, disclosures made by the Directors, have been taken from MCA Director master data, Form MBP-1 and declarations from Independent Directors.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Sangli
Date : 27-05-2025

Abhay R. Gulavani
Practicing Company Secretary
FCS: 10668; CP: 10741

Annexure-B

Sr No	Observation	Management Response
1	Delay in submission of Financial Results to NSE approximately by 3 hours	The said delay was due to login error on the NSE neaps portal. We have informed the same to NSE over email.

Place : Sangli
Date : 27-05-2025

Abhay R. Gulavani
Practicing Company Secretary
FCS: 10668; CP: 10741
UDIN: F010668G000436764
Peer Review Cert No 1841/2022

ANNEXURE IV

Form MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

To,
The Members,
Mehru Electrical And Mechanical Engineers Private Limited
E-1247, Ind. Area, Bhiwadi, Dist Alwar,
Rajasthan-301019

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mehru Electrical and Mechanical Engineers Private Limited** (CIN: U29299RJ1995PTC010898) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/ Statutory Compliances and expressing my opinion thereon.

Based on our verification of the company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2025 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under; (Not applicable to the Company during the audit period)
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the audit period)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period).
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time, (Not applicable to the Company during the audit period).
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period)

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- i. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Not applicable to the Company during the audit period)
 - The Company became material subsidiary of a listed company i.e. Quality Power Electrical Equipments Limited dated March 06, 2025.
- vi. As confirmed and certified by the management, the Company has complied with all the applicable laws, including general and sector-specific laws, to the extent applicable to its business operations.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda

were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured (if any) and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has undertaken the following significant corporate actions:

1. The proposed demerger of the Fabrication Business Undertaking of Mehru Electricals and Mechanical Engineers Private Limited into Fabricators Private Limited ("Resulting Company") is currently pending approval before the Hon'ble NCLT.

For ARMS & Associates LLP

Company Secretaries
ICSI URN: P2011RJ023700
PR 6756/2025

Lata Gyanmalani

Partner
FCS 10106 CP No.9774
UDIN: F010106G000953202
Jaipur, August 07, 2025

Annexure – A

To,
The Members,
Mehru Electrical and Mechanical Engineers Private Limited
E-1247, Ind. Area, Bhiwadi, Dist Alwar,
Rajasthan-301019

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For ARMS & Associates LLP

Company Secretaries
ICSI URN: P2011RJ023700
PR 6756/2025

Lata Gyanmalani

Partner
FCS 10106 CP No.9774
UDIN: F010106G000953202
Jaipur, August 07, 2025

ANNEXURE V

Annual Report on Corporate Social Responsibility (CSR) Activities of the Company for the Financial Year 2024-25

1. Brief outline on CSR Policy of the Company.

Terms of Reference:

The CSR Committee is empowered to formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company, its implementation and monitoring of the CSR Policy and initiatives taken by the Company.

Purpose

In terms of the Companies Act, 2013, every company falling within the purview of section 135 read with Companies (CSR) Rules, 2014, has to have a Corporate Social Responsibility (CSR) Committee of the Board of Directors which will help the Company to frame, monitor and execute the CSR activities of the Company under its CSR scope. Company has formed a Committee and formulated a policy for CSR.

The CSR Committee is also entrusted with implementing the CSR Policy of the Company as approved by its Board of Directors and uploaded on www.qualitypower.com.

Brief outline on CSR Policy of the Company.

The CSR Policy will cover the following focus area which the Company will undertake on its own or through its various initiatives:

1. Health including Preventive Healthcare
2. Education
3. Community Development
4. Sports
5. Natural Calamities
6. All other focus areas as described in CSR Rules

The following parameters should be observed while considering the activities of the Company:

1. Social impact
2. Visibility to the Company
3. Employee Engagement
4. Duration of the project / activity
5. Projects to be undertaken within the local area and at other places.

2. Composition of CSR Committee:

The CSR Committee comprises of Four (4) directors.

During the year, one meeting of CSR Committee were held on 31-03-2025.

The Composition & attendance record of the CSR Committee is given below:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Sadayandi Ramesh	Independent Director	1	0
2	Pournima Kulkarni	Independent Director	1	1
3	Chitra Pandyan	Whole-time Director	1	0
4	Rajendra Sheshadri Iyer	Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

<https://qualitypower.com/wp-content/uploads/2024/10/CSR-Policy-1.pdf>

4. Provide the details of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set off for the financial year, if any (in Rs)
	NIL		

6. Average net profit of the company as per section 135(5).

Year	Amount (Rs.)
2021-22	10,88,21,676
2022-23	17,90,36,940.00
2023-24	23,71,00,000.00
Average Net Profit	17,49,86,205.00

7. a. Two per cent of the average net profit of the company as per section 135(5):

Rs. 34,99,724/-

b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years:

NIL

c. Amount required to be set off for the financial year, if any:

NIL

d. Total CSR obligation for the financial year (7a+7b- 7c).

Rs. 34,99,724/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
34,99,800/-	Nil	NA	NA		

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sr No	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR
												Registration number
No amount spent during the year												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8
Sr No	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				State.	District.			Name
1	Medical Van & Equipment	promoting health care including preventive health care”] and sanitation	Yes	MH	Sangli	6,96,200/-	No	Rotary (MIDTOWN) CHARITABLE TRUST, SANGLI CSR REG NO. CSR00022525
2	Construction of School Building	Promoting education & educational facilities	Yes	MH	Sangli	13,24,000/-	Yes	NA
3	Financial Assistance to Sportsmen for participating in Sports Academy	Promotion of Sports	Yes	MH	Sangli	4,26,600/-	Yes	NA
4	Boat at Flood affected area	Disaster Management including relief, rehabilitation and reconstruction activities	Yes	MH	Sangli	3,00,000/-	Yes	NA
5	Contribution to Public Library	Promoting education & educational facilities	Yes	MH	Sangli	1,62,000/-	Yes	NA
6	Contribution to Rotary Club	promoting health care including preventive health care”] and sanitation	Yes	MH	Sangli	50,000/-	No	Rotary Club CSR REG NO CSR00053124
7	Contribution to India Red Cross Society for purchase of Ambulance	promoting health care including preventive health care”] and sanitation	Yes	MH	Sangli	5,41,000/-	No	Indian Red Cross Society CSR REG NO CSR00040706

(d) Amount spent in Administrative Overheads:

Nil

(e) Amount spent on Impact Assessment, if applicable

Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):

Rs. 34,99,800/-

(g) Excess amount for set off, if any

Sr No	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per Section 135(5)	34,99,724/-
(ii)	Total amount spent for the Financial Year	34,99,800/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	76.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable

12. CSR Committee confirms that, the implementation & monitoring of CSR Policy is in compliance with CSR objectives & policy of Company.**For Quality Power Electrical Equipments Ltd.****Thalavaidurai Pandyan**Chairman and Managing Director
(DIN: 00439782)**Sadayandi Ramesh**Chairman CSR Committee
(DIN:00588780)Date: 07-08-2025
Place: Sangli

ANNEXURE VI**Form No. AOC-2 – 31.03.2025**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto. Company in its EoGM held on 20-12-2023, has passed an Ordinary Resolution for approving the limits by the shareholders u/s 188 of the Companies Act 2013 read with relevant Rules. All the transactions with the RPT are within the limits and in the ordinary course of business and at Arm's Length basis.

Details of material contracts or arrangement or transactions at arm's length basis:

A Name(s) of the related party	Endoks Enerji, Turkey – Subsidiary Quality Power Engineering Projects Private Limited – Subsidiary Company S& S Transformers & Accessories Private Limited – Subsidiary Company Mehru Electrical & Mechanical Engineers Private Limited -Material Subsidiary Company Mr. P T Pandyan Mr. Bharanidharan Pandyan Mrs Chitra Pandyan And related parties
nature of relationship	Holding – Subsidiary Directors
B Nature of contracts /arrangements / transactions	Purchase or sale of all types of items, goods including electrical equipments, parts, components, raw materials, Finished goods, products, accessories, fixtures, services, etc. Supply or availment of various services, Leasing of immovable & movable property/Labour charges, etc.
C Duration of the contracts / arrangements / transactions	1 year
D Salient terms of the contracts or arrangements or transactions including the value, if any	The purchase or sale or services or lease, if effected, will be done at arms length basis.
E date(s) of approval by the Board	30-07-2024
F Amount paid as advances, if any:	As per details in Balance sheet
G Amount of Transactions	Total Purchases & Sales + Services:- Rs. 205.80 million

i Name(s) of the related party	Mrs. Nivetha Bharanidharan
nature of relationship	Wife of Director Mr. Bharanidharan Pandyan
ii Nature of contracts /arrangements / transactions	Salary to executive
iii Duration of the contracts / arrangements / transactions	25 years
iv Salient terms of the contracts or arrangements or transactions including the value, if any	General Terms of salary applicable to all employees. EGM has approved the limit for Salary / Remuneration upto Rs 5 Cr per annum for a period of 25 years w.e.f. 20-12-2023.
v date(s) of approval by the Board	30-07-2024
vi Amount paid as advances, if any:	NIL
Actual Amount of Transaction	Annual salary paid is Rs. 86,40,000/-.

Name of Related Party	Name of Director or KMP who is related, if any	Nature of Relationship	Limit approved in EGM 20-12-2023 (In INR Million)	Actual Transaction (Purchase) In INR Million) p.a.	Actual Transaction (Sale) In INR Million) p.a.
Endoks Enerji, Turkey	Thalavaidurai Pandyan,	Subsidiary	200.00	0.00	54.2
	Bharanidharan Pandyan	Sale / Purchase of Goods / Services			
Quality Power Engineering Projects Pvt Ltd	Thalavaidurai,	Subsidiary	200.00	131.17	0.39
	Bharanidharan Pandyan	Sale / Purchase of Goods / Services			
S& S Transformers & Accessories Pvt Ltd – Subsidiary Company	Thalavaidurai Pandyan,	Subsidiary	20.00	0.00	0.00
	Bharanidharan Pandyan	Sale / Purchase of Goods / Services			
S& S Transformers & Accessories Pvt Ltd – Subsidiary Company	Thalavaidurai Pandyan,	Subsidiary	10.00	0	0
	Bharanidharan Pandyan	Advances Given			
S& S Transformers & Accessories Pvt Ltd – Subsidiary Company	Thalavaidurai Pandyan,	Subsidiary	20.00	1.20	0
	Bharanidharan Pandyan	Royalty Given			
Bharanidharan Pandyan	Thalavaidurai Pandyan	Rent	20.00	1.20	0
Chitra Pandyan	Thalavaidurai Pandyan	Rent	10.00	0	0
Quality Power Engineering Projects Pvt Ltd	Thalavaidurai Pandyan,	Machinery Rent	10.00	2.4	0.6
	Bharanidharan Pandyan				
Quality Power Engineering Projects Pvt Ltd	Thalavaidurai Pandyan,	Rental Income	10.00	6.00	0
	Bharanidharan Pandyan				
		Total - A	500.00	141.97	55.19
Office of Profit (B)	Relative of Director				
Nivetha Bharanidharan	Bharanidharan Pandyan	Salary	50.00	8.64	-
Total - B		Total - B	50	8.64	-
Total		Total - A + B	550	150.61	55.19

All the transactions entered into with the related parties are in the ordinary course of business and at arms length basis at the prevailing market prices.

For Quality Power Electrical Equipments Ltd.

Thalavaidurai Pandyan

Chairman and Managing Director
(DIN: 00439782)

Date: 07-08-2025
Place: Sangli

ANNEXURE VII

PURSUANT TO THE PROVISIONS OF SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Median Remuneration of the employees of the Company for the financial year is Rs. 2,78,507/-

- 1) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year ending 31st March 2025.

Sr No	Name of Director	Ratio of remuneration to the median remuneration of the employees
1	Thalavaidurai Pandyan	74.32
2	Bharanidharan Pandyan	74.32
3	Chitra Pandyan	17.77
4	Mahesh Saralaya	4.13
5	Rajendra Sheshadri Iyer	2.26
6	Shailesh Kumar Mishra	2.08
7	Pournima Suresh Kulkarni	1.80
8	Sadayandi Ramesh	0.18
9	Rajesh Jayaraman	7.90
10	Tushar Deshpande	0.32
11	Deepak Suryavanshi	2.44

- 2) The percentage increase in remuneration of each Director, CFO, CS or Manager if any for the financial year ending 31st March, 2025:

Sr No	Name of Director, CFO and CS	% Increase/(Decrease) over last financial year
1	Thalavaidurai Pandyan	Nil
2	Bharanidharan Pandyan	Nil
3	Chitra Pandyan	Nil
4	Mahesh Saralaya	3.40
5	# Rajendra Sheshadri Iyer	NA
6	# Shailesh Kumar Mishra	NA
7	# Pournima Suresh Kulkarni	NA
8	# Sadayandi Ramesh	NA
9	# Rajesh Jayaraman-CFO	NA
10	# Tushar Deshpande-CS	NA
11	# Deepak Suryavanshi-CS	NA

Not comparable with previous financial year 2023-24 with current financial year 2024-25.

- 3) The percentage increase/(decrease) in the median remuneration of employees in the financial year ending 31st March, 2025: **10%**
- 4) The Number of permanent employees on the rolls of the Company: **179**
- 5) Average percentage increase in the salaries of employees excluding Key Managerial Personnel was 2.29% over the previous year. The average increase in the salaries of Key Managerial Personnel was 87%. The increase in the managerial remuneration is in line with Nomination and Remuneration Policy, market trends and performance criteria as determined by the Board of Directors.
- 6) It is hereby affirmed that the remuneration paid is as per the Remuneration policy for Directors, Key Managerial Personnel and other Employee.

- 7) Name of the Top ten employees in terms of remuneration drawn & the particulars required u/s 197(12) read with rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr No	Name	Designation	Remuneration (In million)	Nature of employment, whether contractual or otherwise	Qualification and Experience in year	Date of Commencement of employment	Age (in years)	Last employment held before joining the Company	The % of equity shares held by the employee	Whether any such employee is a relative of any director or manager of the Company and if so name of such director or manager
1	Thalavaidurai Pandyan	Chairman & Managing Director	20.07	Contractual	Diploma in Electrical Engineering	20-09-2001	70	Hind Rectifiers Limited	12.73	
2	Bharanidharan Pandyan	Jt Managing Director	20.07	Contractual	MBA	25-07-2002	40	-	36.96	Thalavaidurai Pandyan
3	Nivetha Bharanidharan	GM Power Commodities Division	8.64	Permanent	MSC- Software, MBA-General Management	01-03-2009	39	-	-	Thalavaidurai Pandyan and Bharanidharan Pandyan
4	Chitra Pandyan	Whole Time Director	4.95	Contractual	Matriculation	20-09-2001	70	-	6.46	Thalavaidurai Pandyan
5	Vivek Yashwant Moroney	President	3.80	Permanent	B Tech. PGDBM	01-07-2021	60	Stel Mech	-	-
6	Rajesh Jayaraman	CFO	2.99	Permanent	Chartered Accountant	15-02-2024	61	Prager Metis Global Services LLP	-	-
7	Manu Sree Achthan Asokan	Chief Marketing Officer	2.98	Permanent	MBA Marketing	19-02-2024	52	Wilhems Aea Tag ESA	-	-
8	Abhinandan Suresh Upadhye	AGM Operations	1.50	Permanent	BE Mech. PGDBM	01-12-2023	43	PCE Pvt. Ltd.	-	-
9	Sarika Ramesh Jadhav	Senior Vice President-Finance	1.49	Permanent	Chartered Accountant	10-09-2012	46	Cosmos Bank	-	-
10	Shivlingappa B Jamdade	Head-Engineering	1.37	Permanent	Diploma in Mechanical	20-04-2015	52	PCE Pvt Ltd	-	-

Remuneration mentioned above is CTC amount.

8. Employees drawing remuneration of Rs 8.50 Lakh per month or Rs 102 Lakh per annum or more during the year

Sr No	Name	Designation	Educational Qualification	Age	Experience	Date of Commencement of Employment	Remuneration (INR In Million)	Previous Employment & Designation
1	Thalavaidurai Pandyan	Chairman & Managing Director	Diploma in Electrical Engineering	70 Yrs	39	20-09-2001	20.07	Hind Rectifiers Limited
2	Bharanidharan Pandyan	Joint Managing Director	BE-Electrical	40 Yrs	19	25-07-2002	20.07	NA

Remuneration mentioned above is CTC amount.

9. Name of employees who were employed throughout the financial year 2024-25 or part thereof and were paid remuneration in excess of Managing Director / Whole-time Director or Manager and holds along with his spouse and dependent children, not less than 2% of equity shares of the Company - NIL

For Quality Power Electrical Equipments Ltd.

Thalavaidurai Pandyan

Chairman and Managing Director
(DIN: 00439782)

Date: 07-08-2025

Place: Sangli

Report on Corporate Governance

I. Company's Philosophy on Corporate Governance:

The Shares of the Company are listed with the Stock Exchanges with effect from 24th February, 2025. The Company had its philosophy on Corporate Governance and the same shall be followed and implemented by the Company, which is based on timely disclosures, transparent accounting policies, independent Board, right and equitable treatment of Shareholders, protecting the interest of stakeholders to preserve their trust by ensuring efficient working and proper conduct of the business of the Company. The Company believes in true implementation of the same to achieve proper governance for the benefit of all stakeholders.

II. Board of Directors:

- A.** The Board of Directors comprises of Three Promoter Directors (Executive Chairman & Managing Director, Jt. Managing Director and Whole Time Director(Woman Director) and One Non-Promoter Whole Time Director, Three Non-Executive Independent Directors and One Non-Executive Independent Director / Woman Director as on 31st March, 2025.
- B.** During the year, 7 (Seven) Board Meetings were held on 20th June, 2024, 16th July, 2024, 30th July, 2024, 24th August, 2024, 10th September, 2024, 01st January, 2025 and 15th March, 2025.
- C.** The Composition of the Board of Directors, their attendance at the Board meetings during the year and at the last Annual General Meeting along with number of Directorships in other companies, Committee Chairmanship / Memberships is as follows:

Name of Directors	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM	No. of other Directorship #	Other Committee Membership/ Chairmanship §		Directorship List held in Other Listed Companies and Category of Directorship
					Member	Chairman	
1. Mr. Thalavaidurai Pandyan	P/CMD	7	Yes	2	1	1	-----
2. Mr. Bharanidharan Pandyan	P/Jt MD	7	Yes	2	2	-	-----
3. Mrs. Chitra Pandyan	P/WTWD	7	Yes	-	1	-	-----
4. Mr. Mahesh Saralaya	WTD	7	NA	-	1	-	-----
5. Mr. Rajendra Sheshadri Iyer	NEID	7	NA	2	3	1	-----
6. Mr. Shailesh Kumar Mishra	NEID	7	NA	6	4	1	Websol Energy System Limited
7. Mr. Sadayandi Ramesh	NEID	1	NA	9	1	1	-----
8. Ms. Pournima Kulkarni	NEWID	6	No	2	-	-	-----

P - Promoter, CMD –Chairman and Managing Director, Jt MD- Joint Managing Director, WTWD – Whole Time Woman Director, WTD – Whole Time Director, NEID- Non-Executive Independent Director, NEWID-Non-Executive Woman Independent Director.

Excluding Directorships held in Foreign Companies and Section 8Companies.

§ Committees considered are Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

Sitting fees are paid to all Non-Executive Independent Directors for attending Board Meetings and Committee Meetings. Other Remuneration/Commission is paid to two Non-Executive Independent Directors. Leave of absence is granted to the Directors absent for meetings.

D. No. of Meetings of the Board of Directors and dates on which held :

The meetings of the Board are normally held at the Company's Registered Office at Plot No L-61, M.I.D.C. Kupwad, Sangli 416436 and are scheduled well in advance. The Company Secretary, in consultation with the Chairman & Managing Director, sends a written/email notice of each Board meeting to every Director.

During the year under review, the Board had seven meetings on the following dates:

i) June 20, 2024	ii) July 16, 2024	iii) July 30, 2024
iv) August 24, 2024	v) September 10, 2024	vi) January 01, 2025
vii) March 15, 2025		

E. Inter-se Relationship between Directors:

Mr. Thalavaidurai Pandyan (Chairman & Managing Director) is father of Jt. Managing Director Mr. Bharanidharan Pandyan. Mr. Thalavaidurai Pandyan (Chairman & Managing Director) is husband of Whole Time Director/Woman Director Mrs. Chitra Pandyan. Mr. Bharanidharan Pandyan (Jt Managing Director) is the son of Mr. Thalavaidurai Pandyan and Mrs. Chitra Pandyan.

F. Number of Shares and convertible instruments held by Non-Executive Directors:

Mr Shailesh Kumar Mishra, Non-Executive Independent Director of the Company holds 1500 Equity Shares as on 31.03.2025.

G. Web Link where details of familiarization programmes imparted to independent Directors

<https://qualitypower.com/wp-content/uploads/2024/07/Familiarization-Program-for-Independent-Directors.doc.pdf>

H. Skill/Expertise/Competence of the Board of Directors:

The Nomination and Remuneration Committee (NRC) recommends the appointment of a person possessing requisite skill sets to be appointed as Director of the Company. Additionally, the NRC also recommends such an appointment if the person possesses knowledge and in-depth experience of the business in which the Company operates or has experience in the areas of banking, finance, marketing and other related aspects of the Company's business. Only those persons who possess the relevant industry skills or having specialization in a relevant area are recommended for appointment as a Director of the Company.

The Board of Directors have identified the following core skills/expertise/competencies of the Directors of the Company, as required in the context of its business and sector for it to function effectively, and the Members of the Board possess the requisite skills as mentioned below:

Skills/ expertise competence	Mr. Thalavaidurai Pandyan	Mr. Bharanidharan Pandyan	Mrs. Chitra Pandyan	Mr. Mahesh Saralaya	Mr. Shailesh Kumar Mishra	Ms. Pournima Kulkarni	Mr. Rajendra Iyer	Mr. Sadayandi Ramesh
1 Industry knowledge/experience								
Experience	✓	✓	✓	✓	✓	✓	✓	✓
Industry knowledge	✓	✓	✓	✓	✓	✓	✓	✓
Understanding of relevant laws and rules regulation and policy	✓	✓	✓	✓	✓	✓	✓	✓
2 Technical skills/experience								
Account Finance and Risk Manage- ment	✓	✓	✓	✓	✓	✓	✓	✓
Business Develop- ment and Business Strategy	✓	✓	✓	✓	✓	✓	✓	✓
3. Behavioral Competencies								
Interpersonal relation	✓	✓	✓	✓	✓	✓	✓	✓
Leadership	✓	✓	✓	✓	✓	✓	✓	✓

I. Appointment of Directors:

The brief particulars of the Directors of the Company retiring by rotation and proposed to be re-appointed at the ensuing Annual General Meeting is as under:

Mrs. Chitra Thalavaidurai Pandyan Perumal, age 69 years, is on the Board since the incorporation of the Company. She is liable to retire at the ensuing Annual General meeting. Being eligible, she has offered herself for appointment as a Director.

She does not hold Directorship & Committee membership in other companies.

J. Code of Conduct:

The Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on the website of the Company at www.qualitypower.com. Further, the Company has devised a Code of Conduct for the Independent Directors as prescribed in the Companies Act, 2013.

- K. All the Independent Directors have requisite knowledge of business, in addition to the expertise in their area of specialization. The Company has received declaration from each of the Independent Directors of the Company confirming that he/ she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). It is confirmed that in the opinion of the Board of Directors, the Independent Directors of the Company fulfill the conditions specified

in the Listing Regulations and are independent in the Management of the Company.

- L. Detailed reasons for the Resignation of an Independent Director who resigns before the expiry of his tenure along with confirmation by such Director that there are no other material reasons other than those provided.

No Independent Director has resigned during the financial year 2024-25.

III. Audit Committee:

The Audit Committee presently comprises of Four (4) Directors, out of which Three (3) are Non-Executive Independent Directors and one is Whole Time Director. All the members of the Audit Committee possess financial management expertise and knowledge. During the year, Five (5) Audit Committee Meetings were held on 29th July, 2024, 24th August, 2024, 16th September, 2024, 01st January, 2025 and 15th March, 2025.

- Composition and attendance record of Audit Committee members are given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Mrs. Pournima S Kulkarni	Chairperson	5	4
2. Mr. Shailesh Kumar Mishra	Member	5	5
3. Mr. Rajendra Sheshadri Iyer	Member	5	5
4. Mr. Bharanidharan Pandyan	Member	5	5

The Committee comprises of majority of Independent Directors with its Chairman being an Independent Director. The Company Secretary Mr. Deepak Suryavanshi is Secretary of the Committee.

- The Role of the Audit Committee is as under: -

The role of the Audit Committee shall include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with reference to:
 - Matters required to be included in the Directors' Responsibility Statement of the Board's report in terms of sub-section 5 of section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document /

- prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
 8. Approval or any subsequent modification of the transactions of the Company with related parties.
 9. Scrutiny of inter-corporate loans and investments.
 10. Valuation of the undertakings or assets of the Company, wherever it is necessary.
 11. Evaluation of internal financial controls and risk management systems.
 12. Reviewing, with the management, performance of statutory and internal auditor's adequacy of the internal control systems.
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 14. Discussion with internal auditors of any significant findings and follow up thereon.
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 17. To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors.
 18. To review the functioning of the Whistle Blower mechanism.
 19. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 21. Review of Information by Audit Committee
- The Audit Committee shall mandatorily review the following information:
- a) Management discussion and analysis of financial condition and results of operations.
 - b) Statement of significant related party transactions (as defined by the audit committee), submitted by management.
 - c) Management letters / letters of internal control weaknesses issued by the statutory auditors.
 - d) Internal audit reports relating to internal control weaknesses,
- IV. Nomination and Remuneration Committee:**
- The Nomination & Remuneration Committee comprises Three (3) Directors. All three Directors are independent Directors.
 - During the year, one (1) meeting of Nomination & Remuneration Committee was held on 20th June 2024.

- Composition and attendance record of Nomination & Remuneration Committee are given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Mr. Rajendra Sheshadri Iyer	Chairman	1	1
2. Ms. Pournima Suresh Kulkarni	Member	1	1
3. Mr. Shailesh Kumar Mishra	Member	1	0

- Terms of Reference:
 - Succession planning of the Board of Directors and Senior Management Employees.
 - Identifying and selection of candidates for appointments as Directors / Independent Directors based on certain laid down criteria.
 - Identifying potential individuals for appointments as Key Managerial Personnel and to other Senior Management positions.
 - Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their remuneration.

- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management Employees, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, The Independent Directors are evaluated based on their participation and contribution, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

- Remuneration paid / payable to Executive Directors for the year ended 31st March 2025.

(₹ In Million)

Name of the Directors	Salary	Commission	Perquisites	Retirement Benefits	Total
Mr. Thalavaidurai Pandyan (CMD)	20.7	-	-	-	20.7
Mr. Bharanidharan Pandyan (Jt MD)	20.7	-	-	-	20.7
Mrs. Chitra Pandyan (WTD)	4.95	-	-	-	4.95
Mr. Mahesh Saralaya	1.17	-	-	-	1.17
Mr. Shailesh Kumar Mishra	-	2.4	-	-	2.4
Mr. Rajendra Iyer	-	4.4	-	-	4.4
Mr. Sadayandi Ramesh	-	-	-	-	-
Mrs. Pournima Kulkarni	-	-	-	-	-

Transactions with Non-Executive Directors of the Company during the year.

(₹ In Million)

Name of the Directors	Sitting Fees Paid (₹ in Lakh)	Other Remuneration Commission (₹ in Lakh)	Dividend Paid (₹ in Lakh)	Interest Paid on Fixed Deposits (₹ in Lakh)	No. of Shares held as on 31/03/2025
1. Mr. Shailesh Kumar Mishra	0.57	2.4	-	-	1,500
2. Mr. Rajendra Iyer	0.62	4.4	-	-	-
3. Mr. Sadayandi Sheshadri Ramesh	0.05	-	-	-	-
4. Mrs. Pournima Kulkarni	0.47	-	-	-	-

V. Stakeholders' Relationship and Grievance Committee:

- The Stakeholders' Relationship and Grievance Committee comprises of two Non-Executive Independent Directors and One Executive Director, Mr. Shailesh Kumar Mishra is Chairman of the Committee.
- During the year under review One (1) Meeting of Stakeholders' Relationship and Grievance Committee was held on 31st March 2025.
- Composition: The composition and attendance record of Stakeholders' Relationship and Grievance Committee members are given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Mr. Shailesh Kumar Mishra	Chairman	1	1
2. Mr. Rajendra Sheshadri Iyer	Member	1	1
3. Mr. Mahesh Vitthal Saralaya	Member	1	1

- Terms of Reference:
 - To look into the redressal of grievances of shareholders and other security holders.
 - To look into all the complaints received from the shareholders regarding transfer and transmission of shares.

- To look into all the complaints received from the shareholders regarding non- receipt of the Balance Sheet, dividend/ interest/ payments on redemption of preference shares, debentures, bonds or such other instruments which are redeemable.
- Mr. Deepak Suryavanshi, Company Secretary, has been designated as the Compliance Officer.
- During the year most of the complaints were related to the non-receipt of application money and non-receipt of allotment of shares in due time due to some technical reasons at the time of IPO. Necessary action had been taken by the RTA and the same was resolved. No complaints were pending.

The details of shareholders' complaints received so far, resolved and pending during the reporting.

Particulars	SEBI/BSE/NSE	Letters	Mails	Total
At the beginning	Nil	Nil	Nil	Nil
Received during the reporting period	02	Nil	11	13
Disposed of during the reporting period	02	Nil	11	13
Remaining unresolved at the end	Nil	Nil	Nil	Nil

VI. Corporate Social Responsibility (CSR) Committee:

The CSR Committee comprises of Four (4) Directors out of which three (3) are Independent Directors. During the year, One (1) meeting of the CSR Committee was held on 31st March 2025.

- The Composition & attendance record of the CSR Committee is given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Mr. Sadayandi Ramesh	Chairman	1	0
2. Mrs. Pournima Kulkarni	Member	1	1
3. Mr. Rajendra Iyer	Member	1	1
4. Mrs. Chitra Pandyan	Member	1	0

- Terms of Reference:

The CSR Committee is empowered to formulate and recommend to the Board the CSR Policy which shall indicate the activities to be undertaken by the Company, its implementation and monitoring of the CSR Policy and initiatives taken by the Company.

The CSR Policy will cover the following focus areas which the Company will undertake through its various initiatives:

1. Health	2. Natural Calamities
3. Education	4. Sport Development
5. Community Development	

The following parameters should be observed while considering the activities of the Company:

1. Social impact	2. Visibility to the Company
3. Employee Engagement	4. Duration of the project / activity

VII. Risk Management Committee:

The Company has a Risk Management Committee in line with the provisions of Regulation 21 of SEBI Listing Regulations. The Committee has been assigned the job to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Risk Management Committee comprises of Four (4) Directors out of which two (2) are Independent Directors.

The Company has in place a mechanism to inform the Board Members about the Risk Assessment and Minimization procedures and periodical reviews, to ensure that risk is controlled. .

The objectives and scope of the Risk Management Committee broadly comprise:

- Oversight of risk management performed by the executive management.

- ii. Reviewing the Risk Management Policy and framework in line with local legal requirements and SEBI Guidelines.
 - iii. Reviewing risks and evaluate measures including initiating mitigation actions and ownership as per a pre-defined cycle;
 - iv. Defining framework for identification, assessment, monitoring and mitigation and reporting of risks.
 - v. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and potential impact analysis and mitigation plan.
- The Composition & attendance record of the Risk Management Committee are given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Mr. Thalavaidurai Pandyan	Chairman	0	0
2. Mr. Bharanidharan Pandyan	Member	0	0
3. Mrs. Pournima Kulkarni	Member	0	0
4. Mr. Shailesh Kumar Mishra	Member	0	0

VIII. Separate Meeting of Independent Directors:

During the year under review, the Independent Directors met on 31st March 2025 inter alia, to discuss:

- i. Evaluation of the performance of Non-Independent Directors & the Board of Directors as a whole.
- ii. Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- iii. Evaluation of the quality content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Except Mr. Sadayandi Ramesh, all other Independent Directors were present at the Meeting.

IX. IPO Committee Meeting:

Your Board has constituted a separate committee to monitor, review and recommend to the Board on the Initial Public Offering of the Company. The IPO Committee of the Company consists of three Directors.

During the Financial Year 2024-2025, Members of the IPO Committee met Two (2) times on 16th September 2024 and 06th February 2025.

The composition of the IPO Committee as on 31st March 2025 are as under:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Mr. Bharnidharan Pandyan	Chairman	2	2
2. Mr. Shailesh Kumar Mishra	Member	2	2
3. Mr. Rajendra Iyer	Member	2	2

X. Merger And Acquisition Committee

The Board of Directors has constituted Merger and Acquisition Committee on 15th March 2025 to explore and evaluate expansion projects on an ongoing basis. However no meeting of Merger and Acquisition Committee was held as on 31st March, 2025.

The Composition & attendance record of the Merger and Acquisition Committee are given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Mr. Bharanidharan Pandyan	Chairman	0	0
2. Mr. Rajendra Iyer	Member	0	0

Name of the Directors	Status	No. of Meetings	
		Held	Attended
3. Mr. Shailesh Kumar Mishra	Member	0	0
4. Ms. Pournima Kulkarni	Member	0	0
5. Mr. Mahesh Saralaya	Member	0	0

XI. KMP/Senior Management:

Details of KMP other than Managing Director/Executive Directors as on 31st March 2025.

Sr No	Name	Position	Changes during FY 2024-2025
1	Mr. Rajesh Jayaraman	Chief Financial Officer	NA
2	Mr. Tushar Vasudev Deshpande	Company Secretary & Compliance Officer	Resigned w.e.f 02.05.2024
3	Mr. Deepak Ramchandra Suryavanshi	Company Secretary & Compliance Officer	Appointed w.e.f. 06.06.2024

Details of Senior Management as on 31st March 2025.

Sr No	Name	Position	Changes during FY 2024-2025
1	Mrs. Sarika Ramesh Jadhav	Senior Vice President-Finance	NA
2	Mr. Vinod Daniel Nathaniel	Senior Vice President-Marketing	NA
3	Mrs. Sneha Aniket Muthe	Head-Planning	NA
4	Mr. Sachin Sudhakar Kulkarni	Head-HR and Admin	NA
5	Mr. Shivlingappa B Jamdade	Head-Engineering	NA
6	Mr. Yuvraj Ajit Kolge	Head-Research & Development	NA
7	Mr. Udaykumar Devidas Maharnur	Head-Quality	NA
8	Mr. Vinayak Bhalchanmdra Vagyani	Head-Supply Chain Management	NA
9	Mr. Jos Augustine	Plant Head	NA
10	Mr. Ramesh Dattatray Kumbhar	Head-Manufacturing	NA
11	Mr. Vivek Yashwant Moroney	President	NA

XII. Remuneration Paid to the Directors During Financial Year 2024-25:

Nomination and Remuneration Policy

The Company's Remuneration Policy represents the overreaching approach of the Company to the remuneration of Directors and Senior Management. The objective of the Company's Remuneration Policy is to ensure that all employees, including Executive Directors and Key Managerial Personnel, are sufficiently incentivized for enhanced performance. The Nomination and Remuneration Committee takes into account various factors to determine this Policy and amend it from time to time. The Policy ensures that due regard is given to the Company's financials and the interest of Shareholders and that levels of remuneration are sufficient to attract and retain exceptional employees who can take the Company forward.

The details of criteria for making payment, if any, to the Executive Director and Non-Executive/Independent Directors are provided under the Nomination and Remuneration Policy of the Company. The said Policy is available on its website i.e., www.qualitypower.com under the Investors Section.

• Remuneration paid to Non-Executive Directors

Rs in Million

S. No.	Name of the Subsidiary	Sitting Fees	Commission	Total
1	Mr. Shailesh Kumar Mishra	0.57	2.4	2.97
2	Ms. Pournima Kulkarni	0.47	-	0.47
3	Mr. Rajendra Iyer	0.62	4.4	5.02
4	Mr. Sadayandi Ramesh	0.05	-	0.05

• **Remuneration paid to Executive Directors**

(₹ In Million)

Particulars	Salary	Commission	Perquisites	Retirement Benefits	Total
Mr. Thalavaidurai Pandyan (CMD)	20.7	-	-	-	20.7
Mr. Bharanidharan Pandyan (Jt MD)	20.7	-	-	-	20.7
Mrs. Chitra Pandyan (WTD)	4.95	-	-	-	4.95
Mr. Mahesh Saralaya	1.17	-	-	-	1.17

- No sitting fees were paid to any Executive Director during the Financial Year 2024-25.

XIII. General Body Meetings:

i. **Location and time for the last three Annual General Meetings (AGM):**

Financial Year	AGM	Location	Date	Time
2023-24	23rd AGM	Registered Office	28-09-2024	1.00 p.m.
2022-23	22nd AGM	Registered Office	30-09-2023	1.00 p.m.
2021-22	21st AGM	Registered Office	30-09-2022	1.00 p.m.

- ii. Special Resolutions passed at the Annual / Extra Ordinary General Meetings/Postal Ballot in the past 3 years-No Postal Ballot was held.

iii. **The Special Resolution that has passed during last three years are as given below.**

23rd Annual General Meeting: Saturday, 28th September 2024.

All the special resolutions were put for vote by show of hand and were passed unanimously.

S. No	Type of Resolution	Summary of Business Transacted at the Annual General Meeting	No of Shares & % age in Favour		No of Shares & % age Against	
			No of shares	% age	No of shares	% age
1	Special	Increase in the overall maximum managerial remuneration limit payable to the Directors	7,21,50,000	100.00	0	-

Extra-Ordinary General Meeting held during Financial Year 2024-25

The Special Resolution passed in the Extra-Ordinary General Meeting held on 10th September 2024.

S. No	Type of Resolution	Summary of Business Transacted at the Annual General Meeting	No of Shares & % age in Favour		No of Shares & % age Against	
			No of shares	% age	No of shares	% age
1	Special	Approval of the Initial Public Offer	7,21,49,960	99.99	-	-
2	Special	Increase in investment limits for non-resident Indians and overseas citizens of India	7,21,49,960	99.99	-	-
3	Special	To consider the appointment of Mr. Bharanidharan Pandyan as Joint Managing Director	7,21,49,960	99.99	-	-

22nd Annual General Meeting: Saturday, 30th September 2023.

No special resolution was passed in the 22nd Annual General Meeting.

Extra-Ordinary General Meeting held during Financial Year 2023-24

The Special Resolution passed in the Extra-Ordinary General Meeting held on Saturday, 23rd March, 2024

S. No	Type of Resolution	Summary of Business Transacted at the Annual General Meeting	No of Shares & % age in Favour		No of Shares & % age Against	
			No of shares	% age	No of shares	% age
1	Special	Approval for Conversion of the Company in to a public limited company.	7,21,50,000	100	-	-
2	Special	Approval of Initial Public Offer	7,21,50,000	100	-	-
3	Special	Adoption of new Articles of Association of the Company	7,21,50,000	100	-	-

S. No	Type of Resolution	Summary of Business Transacted at the Annual General Meeting	No of Shares & % age in Favour		No of Shares & % age Against	
			No of shares	% age	No of shares	% age
4	Special	Approval of Borrowing Limits under section 180(1)(c)	7,21,50,000	100	-	-
5	Special	To authorize Board for creation of charge on movable and immovable properties of the Company, both present an future	7,21,50,000	100	-	-
6	Special	Approval for giving Loans/Guarantees or providing securities.	7,21,50,000	100	-	-
7	Special	To consider Appointment of Mr Thalavaidurai Pandyan as Chairman & Managing Director	7,21,50,000	100	-	-
8	Special	To consider appointment of Mr. Bharanidharan Pandyan as Whole Time Director	7,21,50,000	100	-	-
9	Special	To consider Appointment of Mrs. Chitra Pandyan as Whole Time Director	7,21,50,000	100	-	-

21st Annual General Meeting: Friday, 30th September 2022.

No special resolution was passed in the 21st Annual General Meeting.

No Special Resolution was passed through Postal Ballot in the previous year and is proposed to be conducted through Postal Ballot.

XIV. Means of Communication:

- Results: The quarterly/half-yearly/annual results are published within the timeline stipulated under SEBI Listing Regulations. The results are also uploaded on NEAPS and BSE online portals of NSE and BSE respectively. The financial results are published within the time stipulated under the Listing Regulations in newspapers viz. Business Standard (in English) and Kesari (in Marathi). The Financial Statements as stated above are also available on the website of the Company and can be accessed at the web link: <https://qualitypower.com/quarterly-earnings/>
- Website: The Company's website (www.qualitypower.com) provides comprehensive information on Company's profile, its business lines, Management, Corporate Governance, policies etc. An exclusive section is dedicated to Investors, where all information related to quarterly/yearly results, Annual Report, quarterly filing, meetings etc. are uploaded from time to time. It provides all the information as prescribed under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Public Announcements made by the Company from time to time are also displayed on the Company's website.
- Annual Report: Annual Report containing, inter alia Financial Statements, Cash Flow Statement, Auditor's Report, Directors' Report, Notice of Annual General Meeting and other important information is circulated to Members and others entitled thereto. The Annual Report of the Company is also available on the Company's website in a user-friendly and downloadable form.

- Management Discussion and Analysis (MDA) Report: The Report on MDA forms part of the Annual Report.

- Presentations made to institutional investors or to the analyst. <https://qualitypower.com/quarterly-earnings/>

XV. General Shareholders Information:

- 24th Annual General Meeting for the Financial Year ended on 31st March 2025.

Day and Date: Thursday, 25th September, 2025

Time: 4.30 P.M.

Venue: Registered office of the Company (Through Video Conferencing / Other Audio Visual Means)

Record Date- 18th September, 2025

Book Closure: From 19th September, 2025 to 25th September, 2025

- Financial Year:** 01st April 2024 to 31st March 2025

- Dividend:** For the financial year 2024-25, the Board of Directors has declared 10% Dividend on Equity Shares held by the Public Shareholders.

- Securities Listed on Stock Exchange(s):** The Companies Equity Shares are listed on main board of National Stock Exchange of India Limited and BSE Limited w.e.f. 24th February 2025.

The ISIN of the Company is **INEOSII01026**.

BSE Limited	National Stock Exchange of India Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. Scrip Code: 544367	Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051. Symbol: QPOWER

- Annual listing fees for the Financial Year 2024-25 have been paid to the above Stock Exchange(s).
- Payment of Depository Fees: Annual Custody / Issuer fee for the year 2024-25. has been paid by the Company to NSDL and CDSL.

e) Registrar and Transfer Agents:

MUFG Intime India Pvt. Ltd.

(Formerly known as Link Intime India Pvt. Ltd.)

C-101, 1st Floor, 247 Park, Lal Bahadur,

Shastri Marg, Vikholi (West), Mumbai

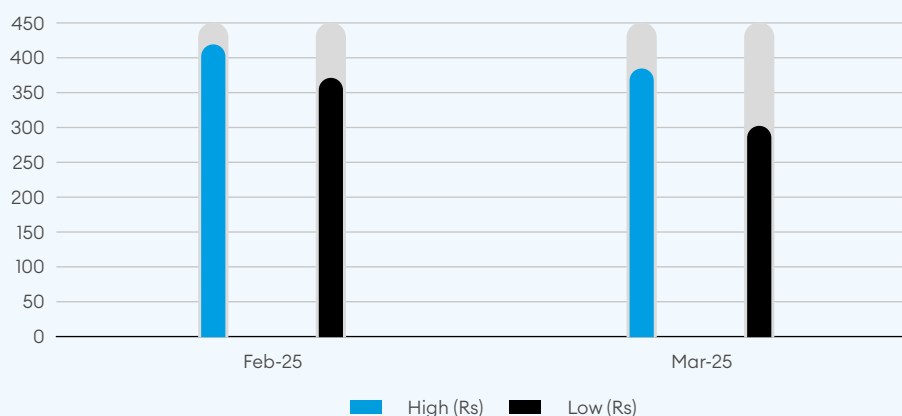
Maharashtra 400083.

Phone: +91 022 49186000

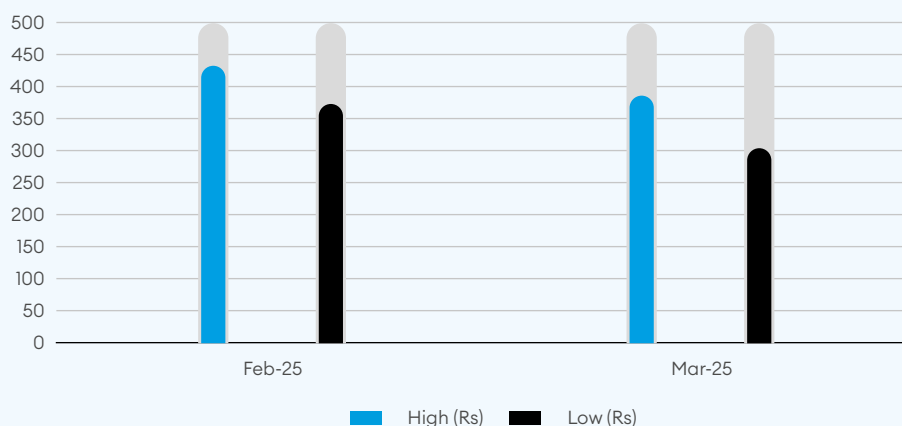
Market Price Data High/ Low during each month of Financial Year 2024-25 at BSE &NSE

NSE			BSE		
Months	High (₹)	Low (₹)	Months	High (₹)	Low (₹)
Feb 25	417.50	370.50	Feb 25	432.05	370.95
March 25	384.30	302.70	March 25	383.05	302.60

Share Price Movement at NSE



Share Price Movement at BSE



Although the Company is listed, our scripts are not included in the index; hence, there cannot be comparison of Performance on broad-based indices such as BSE Sensex, CRISIL index etc.

f) Share Transfer System:

The RTA of the Company handles all the share transfers and related processes. They provide the entire range of services to the Members of the Company relating to shares. The Company had appointed MUFG Intime India Pvt. Ltd. as its Registrar & Share Transfer Agent for transfer/transmission of Equity Shares in compliance with the requirement of the Securities and Exchange Board of India.

Status of Dematerialization of Shares issued by the Company and consequential Liquidity:

Equity Shares issued by the Company can be held in the dematerialized form with either National Securities Depository Limited or Central Depository Services Limited. Total share capital of the Company as on 31.03.2025 is in dematerialization form.

g) Details of Equity Shares held by the Executive Directors and Independent Directors as on 31st March 2025.

S. No	Name of Director	Designation	No of Shares Held
1	Mr. Thalavaidurai Pandyan	Chairman & Managing Director	98,60,480
2	Mr. Bharanidharan Pandyan	Jt Managing Director	2,86,19,480
3	Mrs. Chitra Pandyan	Whole Time Director	500
4	Mr. Mahesh Saralaya	Whole Time Director	Nil
5	Mr. Shailesh Kumar Mishra	Independent Director	1500
6	Ms. Pournima Kulkarni	Independent Director	Nil
7	Mr. Rajendra Sheshadri Iyer	Independent Director	Nil
8	Mr. Sadayandi Ramesh	Independent Director	Nil

Distribution of Shareholding as on 31st March 2025.

No. of equity shares held	No. of Folios / Shareholders	No. of Shares held	% of Share holding
Upto 5,000	81,219	40,78,903	5.27
5,001 to 10,000	44	3,32,375	0.43
10,001 to 20,000	21	3,12,182	0.40
20,001 to 30,000	10	2,41,381	0.31
30,001 to 40,000	1	36,999	0.05
40,001 to 50,000	-	-	-
50,001 to 1,00,000	7	5,78,929	0.75
More than 1,00,000	44	7,18,63,331	92.79
Total	81,346	7,74,44,100	100

Shareholding Pattern as on 31st March 2025.

Category	No. of Shares held	% of Total Share holding
Promoter Group	5,72,39,460	73.91
Banks, Financial Institutions, Insurance Companies, Foreign Financial Institutions	67,84,543	8.76
IEPF	30,94,079	3.99
Indian Public	-	-
Other (incl. N. R. I., Private Corporate Bodies and Trust, Clearing Member)	52,39,497	6.76
G. D. R. / A. D. R.	50,86,521	6.58
Total	7,74,44,100	100

h) Dematerialization of Shares and Liquidity:

As on March 31, 2025, 100% of the total issued and paid-up share capital was held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

i) outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity -NIL**j) Disclosure of commodity price risks and commodity hedging activities.**

The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities is not applicable.

k) Plant Locations:

Maharashtra

1. L-61, MIDC, Kupwad Block, Sangli Maharashtra 416436.
2. N-17, N-17/2, N-17/3 and N-17/5, MIDC, Kupwad Block, Sangli, Maharashtra 416436.
3. J-22, MIDC, Kupwad Block, Sangli Maharashtra 416436.
4. E-5 & E-6/2, MIDC, Kupwad Block, Sangli, Maharashtra 416436. (Under Construction)

Kerala

No 5/224, Chalackal Thottumugham, P O Aluva
Ernakulam KL 683105.

l) Address of Correspondence:

Quality Power Electrical Equipments Ltd.

CIN: L31102PN2001PLC016455

Mr Deepak Suryavanshi

Company Secretary & Compliance Officer

Plot No L-61, M.I.D.C. Block,

Kupwad, Sangli 416436

Email: deepak@qualitypower.co.in

Phone: +91 - 233 - 2645432

- m) Credit Ratings:** - The Company has not obtained Credit Ratings.

XVI. Other Disclosures:

A. Disclosure of Related Party Transactions:

All related party transactions have been entered into in the ordinary course of business and were placed periodically before the Audit Committee and the Board. All transactions with the related parties are on an arm's length basis and in the ordinary course of business. All the transactions with the related parties are not material in nature. The policy on related party transactions is placed on the web site of the Company which can be viewed through <https://qualitypower.com/wp-content/uploads/2024/07/Related-Party-Transactions-Policy.docx.pdf>

- B.** Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years; - Not Applicable

C. Whistle blower Policy/Vigil Mechanism:

If the employees believe that they violated the Code of Conduct, then they may report the violation to the Company so that appropriate action can be taken. While taking disciplinary action, the Company will take into consideration that the employee has voluntarily reported their breach of code of conduct.

If the employees become aware that another employee has, in all likelihood violated the code, including any law or regulation applicable to the Company's business, then it is their duty to report that violation to the whistle blower committee, so that the company can take necessary steps to rectify the problem and prevent

a recurrence. The identity of the person or persons making a report will remain confidential except on a "need to know" basis.

Whistle Blower Committee

In accordance with sub-section (9) of section 177 read with Section Rule 7(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company's Audit Committee is required to oversee the vigil mechanism.

Accordingly, the Audit Committee constituted by the Board of Directors in accordance with Section 177 of the Companies Act, 2013 read with regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be construed as the "Whistle Blower Committee".

A vigil Mechanism provides a channel to the Employees and Directors to report to the Management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or Policy. The mechanism provides for adequate safeguard against victimization of both the whistle-blower and also the accused under a whistle-blower event and to avail of the mechanism and also provide for direct and discreet access to the vigilance officer and further escalation to Chairperson of the Audit Committee in exceptional cases.

This policy, however, releases employees from their duty of confidentiality in the course of their work nor it can be used as a route for raising malicious or unfounded allegations against people in authority and/or colleagues in general.

False Complaints:

While this policy is intended to bring out misconduct happening in Company and to protect genuine whistleblowers from any unfair treatment, any persons or group of persons who made complaints with mala fide intentions and which is finally found to be false will be subject to strict disciplinary / legal action.

The whistle blower policy/Vigil Mechanism Policy has been posted on the web site of Company on the link.

<https://qualitypower.com/wp-content/uploads/2025/04/Whistle-Blower-and-Vigil-Mechanism-Policy.pdf>

- D.** All the mandatory requirements of Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied.

Your Company has complied with the non-mandatory requirements of the Listing Regulations to the extent possible.

- E.** web link where policy for determining 'material' subsidiaries is disclosed:

<https://qualitypower.com/wp-content/uploads/2024/07/Material-Subsidiary-Policy>

- F.** Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

During the period under review, the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

- G.** A certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being

appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The certificate of Practicing Company Secretary is annexed herewith as part of this Report.

- H.** Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required in the relevant Financial Year:

There were no such instances during FY 2024-2025 when the Board had not accepted any recommendation of any committee of the Board.

- I.** Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Total fees paid to the Statutory Auditors and an entity in their network firm for all services received by the Company during the financial year 2024-25 is 4.43 million and the statutory auditors of the Company do not have any network arrangement.

J. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year- 2024-2025	Number of complaints disposed of during the financial year - 2024-2025	Number of complaints pending as on end of the financial year 2024-2025
Nil	Nil	Nil

K. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested' by name and amount:

Clause Not Applicable, since Company has not provided any loan or advances in the nature of loan to firms/ companies in which the Directors are interested.

L. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Quality Power Engineering Projects Pvt.. Ltd., S&S Transformers and Accessories Pvt. Ltd. and Mehru Electrical and Mechanical Engineers Pvt. Ltd. are subsidiary companies and Endoks Enerji Dagitim Sistemleri Lth Lhr Sti, Ankara, Turkey is step down Subsidiary Company during the year 2024-25

Details of Subsidiary Companies

Name of the Company	Date of Incorporation & Place	Regd. Office	Auditors Details
Quality Power Engineering Projects Private Limited	14-10-2009 Sangli, Maharashtra	Plot No. L - 61 M. I. D. C. Kupwad Block, Sangli, Maharashtra 416436	Khire, Khandekar and Kirloskar Chartered Accountants 157, South Shivaji Nagar, Sangli Maharashtra 416416.
S&S Transformers and Accessories Private Limited	29-04-2009 Ernakulam, Kerala	No 5/224, Chalackal Thottumugham, P O Aluva Ernakulam KL 683105	SNV and Associates Chartered Accountants Civil Line Road, No 43/90A1, 1st Floor, Saketham, Behind Canara Bank, Palarivattom, PO Ernakulam 682 025.

Name of the Company	Date of Incorporation & Place	Regd. Office	Auditors Details
Endoks Enerji Dagitim Sistemleri Lth Lhr Sti, Ankara	27-09-2004 Istanbul	Istanbul Sisli Perpa Is Merkezi A Blok Kat 11 No 1380	ANY Partners Chartered Accountants
Mehru Electrical and Mechanical Engineers Private Limited (Material Subsidiary)	13-10-1995 Alwar Rajasthan	E-1247, Ind. Area, Bhiwadi, Dist Alwar, Rajasthan 301019.	S. Singhal & Co. Chartered Accountants

Associate Companies:

There are no Associate Companies during the years 2024-25.

XVII. Non-Compliance with any requirement of Corporate Governance Report of Sub- Paras (2) To (10) Of Schedule V (C) Of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

NIL

XVIII. Adoption of the discretionary requirements as specified in Part E of Schedule II of Regulation 27(1), is being reviewed by the Board from time to time. The status is as under:

Your Company has complied with all mandatory requirements laid down under the Listing Regulations.

Your Company has complied with the non-mandatory requirements of the Listing Regulations to the extent possible.

XIX. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to regulation 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 :

The Company has complied with all the mandatory Corporate Governance requirements under the Listing Regulations. The Company confirms compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Sub regulation (2) of Regulation 46 of the Listing Regulations

Disclosures by Senior Management Personnel pursuant to Regulation 26(5) of the SEBI (LODR), Regulations, 2015:

The designated senior management personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during financial year under review in which they have personal interest that may have a potential conflict with the interest of the Company at large.

Disclosure on Website

The following information / Codes / Policies have been hosted on the website of the Company (www.qualitypower.com).

1. Details of Business: <https://qualitypower.com/>

2. Composition of various committees of Board of Directors

Audit Committee:	https://qualitypower.com/corporate-governance-2/
Nomination and Remuneration Committee	https://qualitypower.com/corporate-governance-2/
Stakeholder Relationship Committee	https://qualitypower.com/corporate-governance-2/
CSR Committee	https://qualitypower.com/corporate-governance-2/
Risk Management Committee	https://qualitypower.com/corporate-governance-2/

3. Policies/ Codes:

Policy for Preservation and Archival of Documents	https://qualitypower.com/wp-content/uploads/2024/07/Preservation-and-Archival-of-Documents-Policy.docx.pdf
Policy on Determination of Materiality of Events/ information	https://qualitypower.com/wp-content/uploads/2024/07/Determination-of-Material-Event-and-Disclosure.docx.pdf
Policy on Diversity of Board of Directors	https://qualitypower.com/wp-content/uploads/2024/07/Policy-on-Diversity-on-Board.docx.pdf
Policy on Succession Planning for the Board and Senior Management	https://qualitypower.com/wp-content/uploads/2024/07/Succession-Planning-for-Board-and-Senior-Management-Policy.docx.pdf

Policy on Material Subsidiaries	https://qualitypower.com/wp-content/uploads/2024/07/Material-Subsidiary-Policy.docx.pdf
Corporate Social Responsibility Policy	https://qualitypower.com/wp-content/uploads/2024/10/CSR-Policy-1.pdf
Vigil Mechanism – Whistle Blower Policy	https://qualitypower.com/wp-content/uploads/2025/04/Whistle-Blower-and-Vigil-Mechanism-Policy.pdf
Remuneration Policy	https://qualitypower.com/wp-content/uploads/2024/07/Nomination-and-Remuneration-Policy.doc.pdf
Related Party Transaction Policy	https://qualitypower.com/wp-content/uploads/2024/07/Related-Party-Transactions-Policy.docx.pdf
Dividend Distribution Policy	https://qualitypower.com/wp-content/uploads/2024/07/Dividend-Distribution-Policy.docx.pdf
Code of conduct for Prohibition of Insider Trading	https://qualitypower.com/wp-content/uploads/2025/03/QP-Policy-Code-of-Fair-Disclosure-.pdf
Code of practices and procedures for fair disclosure of UPSI	https://qualitypower.com/wp-content/uploads/2025/03/Code-of-Practices-and-Procedures-for-Fair-Disclosure-of-UPSI-final.pdf
Familiarization Program for Independent Directors	https://qualitypower.com/wp-content/uploads/2024/07/Familiarization-Program-for-Independent-Directors.doc.pdf
Appointment letter format – ID	https://qualitypower.com/wp-content/uploads/2025/04/Terms-of-Appointment-of-Independent-Directors-QP.pdf

4. Financial Information:

Financial Results/Statements	https://qualitypower.com/financial-information/
Shareholding Pattern	https://qualitypower.com/ipo-2/
Analyst & Investor Presentations and Call Transcripts	https://qualitypower.com/quarterly-earnings/
Annual Reports of the Company	https://qualitypower.com/financial-information/
Financial Statements of Subsidiaries	https://qualitypower.com/financial-information/

Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances along with email address for grievance redressal and other relevant details are also available.

The Company has complied with all the requirements of corporate governance report as mentioned in sub-paras (2) to (10) of Para C of Schedule V of the SEBI (LODR), Regulations, 2015. The above-referred Policies / Codes have been revised from time to time as per requirements of the provision of SEBI LODR, 2015.

Debentures

The Company had not issued any debentures during the year under review.

For QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED

Thalavaidurai Pandyan

Chairman & Managing Director

DIN: 00439782

Date: 27-05-2025

Place: Sangli

CFO CERTIFICATE**COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

I, Rajesh Jayraman, Chief Financial Officer of the Company hereby certify that:

- A. We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2025 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- (1) There are no significant changes in internal control over financial reporting during the year;
 - (2) There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For and on behalf of
QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED

Rajesh Jayraman
Chief Financial Officer

Date: 27-05-2025

Place: Sangli

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board members and Senior Management Personnel have confirmed compliance with Code of Conduct for the year ended 31st March 2025.

For QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED

Date: 27-05-2025
Place: Sangli

Thalavaidurai Pandyan
Chairman & Managing Director
DIN: 00439782

DECLARATION SIGNED BY THE MANAGING DIRECTOR STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT:

In accordance with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down a Code of Conduct for Directors and Senior Management Personnel of the Company and I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Business Conduct Guidelines (Code of Conduct), as applicable to them, for the Financial Year ended 31st March, 2025.

The Code has been circulated to all the members of the Board and Senior Management. The Company has received affirmation of compliance from the Directors and Senior Management Personnel of the Company for the financial year ended March 31, 2025.

The said Code is posted on the Company's website at <https://qualitypower.com/wp-content/uploads/2025/04/Code-of-Conduct-for-Directors-KMP-and-Senior-Management-Policy.pdf>

For Quality Power Electrical Equipments Ltd

Date: 27-05-2025
Place: Sangli

Thalavaidurai Pandyan
Chairman & Managing Director
(DIN: 00439782)

PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To, The Members of

Quality Power Electrical Equipments Ltd,

We have examined the compliance of the conditions of Corporate Governance by **Quality Power Electrical Equipments Ltd** ('the Company') for the year ended on 31st March, 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31st March, 2025.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Abhay R. Gulavani

Practicing Company Secretary

FCS: 10668; CP: 10741

UDIN: F010668G000439008

Peer Review Cert No 1841/2022

Place : Sangli

Date : 27-05-2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Quality Power Electrical Equipments Limited,
(CIN: L31102PN2001PLC016455)
Plot No. L-61, MIDC Kupwad Block, Sangli - 416 436

I have examined the relevant registers, records, forms, returns and disclosures relating to the Directors of **Quality Power Electrical Equipments Limited**, having **CIN: L31102PN2001PLC016455** and having Registered Office at Plot No. L-61, MIDC Kupwad Block, Sangli - 416 436 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications {including Directors Identification Number (DIN) status at the portal www.mca.gov.in} as considered necessary and explanations furnished to us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

Sr No	DIN	Name	Designation	Category	Date of appointment
1	00439782	Thalavaidurai Pandyan Perumal	Managing Director	Promoter	20/09/2001
2	01298247	Bharanidharan Perumal Pandyan	Whole-time director	Promoter	25/07/2002
3	02602659	Chitra Pandyan	Whole-time director	Promoter	20/09/2001
4	10509703	Mahesh Vitthal Saralaya	Whole-time director	Professional	15/02/2024
5	09319795	Rajendra Sheshadri Iyer	Director	Independent	15/02/2024
6	08068256	Shailesh Kumar Mishra	Director	Independent	15/03/2024
7	00588780	Sadayandi Ramesh	Director	Independent	15/03/2024
8	10320821	Pournima Suresh Kulkarni	Director	Independent	15/02/2024

The date of appointment is as per the MCA website.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Abhay R. Gulavani

Practicing Company Secretary

Membership No.: F10668

CP No.: 10741

UDIN: F010668G000436731

PR: 1841/2022

Place : Sangli

Date : 27-05-2025

Management Discussion and Analysis



Disclaimer

The Management Discussion and Analysis may include some forward-looking statements related to possible business or economic developments. These statements reflect the Company's current expectations and outlook for the future. However, many factors could lead to actual outcomes being different from what is expected. The Company does not take on any responsibility to update these forward-looking statements publicly if new information or future events arise. Investors are advised to use their judgment while considering the risks mentioned in this report and how effectively the Company is addressing them, as these are only the risks identified by the Management at this time.

Economy Outlook

Global Economy

The global economy in 2024 expanded moderately despite persistent headwinds. According to the IMF's July 2025 World Economic Outlook, global growth stood at 3.4% in 2024 and is projected at 3.0% for 2025 and 3.1% for 2026. These forecasts represent a slight upgrade over earlier expectations, aided by tariff rollbacks, a softer US dollar and selective fiscal interventions.

While services activity remained resilient and continued to anchor growth, manufacturing in Europe and parts of Asia was subdued, weighed down by supply chain frictions and muted external demand. Inflationary pressures eased further, with headline inflation expected to moderate to 4.2% in 2025, though core inflation remains stubbornly high in some economies, notably the US. Central banks maintained restrictive monetary policies through much of 2024, keeping financial conditions tight; however, signs of easing inflation prompted some to begin signalling a gradual pivot towards policy relaxation.

Despite these improvements, the outlook remains clouded by risks—ranging from volatile financial markets and persistent geopolitical tensions to the uneven impact of tariff adjustments. Multilateral institutions continue to stress the importance of coordinated policy action to safeguard trade flows, stabilize financial systems and enable a path toward sustained and inclusive growth.

Growth in the Global GDP (%)

Global GDP growth



Advanced economies



EMDs



United States



P- projected

Source: World Economic Outlook, April 2025, IMF

Indian Economic Outlook

GDP Growth and Outlook

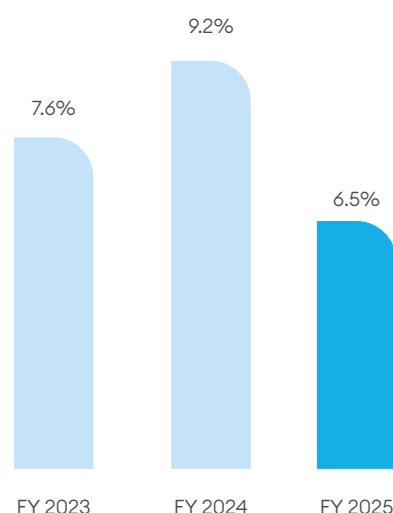
India has emerged as the world's fourth-largest economy, with per capita income doubling since 2014 – a testament to its sustained progress and resilience. Despite global headwinds and geopolitical uncertainties, the economy continued on a strong growth path, recording GDP growth of 6.5% in FY 2024–25. Growth was anchored by resilient domestic demand, supported by stable private consumption and surging capital investments, alongside the government's emphasis on infrastructure and strategic reforms.

The Production Linked Incentive (PLI) schemes, robust foreign direct investment (FDI) inflows, and digital infrastructure expansion strengthened India's position in global value chains, while green energy initiatives and the China+1 shift enhanced competitiveness. Services, construction and agriculture benefited from favourable monsoons and rising rural consumption, broadening the growth base further.

Inflation eased to 3.3%, well within the Reserve Bank of India's (RBI) target range, aided by stable food prices, supply chain efficiencies, and proactive policy measures. The RBI adopted a calibrated easing stance, reducing the repo rate by 100 basis points to 5.5% (including a 50-bps cut in June 2025) and lowering the CRR, injecting liquidity, lowering borrowing costs and supporting credit availability. These steps, combined with fiscal prudence, strengthened financial stability while sustaining growth momentum.

India's macroeconomic resilience in FY 2024–25 has laid a solid foundation for sustained long-term growth, underpinned by structural reforms, fiscal prudence and financial stability.

India's GDP Growth



Source: Reserve Bank of India

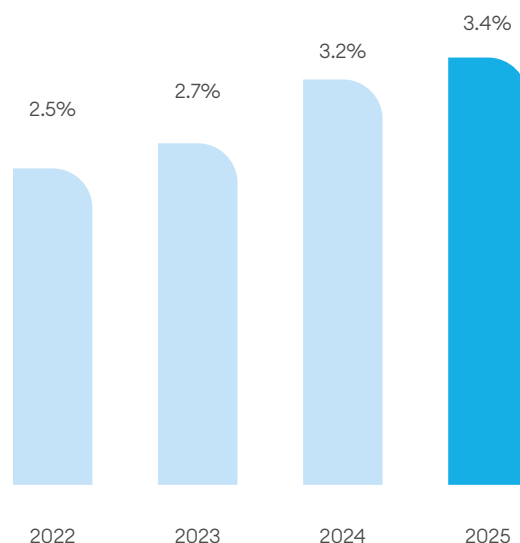


Outlook

India's growth trajectory is expected to remain robust, with GDP projected to expand by 6.5% in FY 2025-26, driven by favourable monsoon conditions, sustained capital expenditure, resilient consumption and private investment revival. The Union Budget 2025-26, which introduced income tax relief for salaried individuals, is expected to bolster urban demand and discretionary spending. Retail inflation is projected to average 3.1%, staying below the RBI's target for most of the year before rising marginally in Q4.

Despite global trade uncertainties and tariff-related risks, India's robust macroeconomic buffers, structural reforms and strategic emphasis on green energy, advanced manufacturing, infrastructure expansion and financial sector reforms are expected to sustain growth momentum and strengthen its position in global value chains. With strong fundamentals, policy continuity and reform-driven resilience, the economy is well-placed to navigate global headwinds. Looking ahead, India is firmly on track to become a USD 5 trillion economy and the world's third-largest by FY 2028.

Capital Expenditure (As % of GDP)



Source: Reserve Bank of India

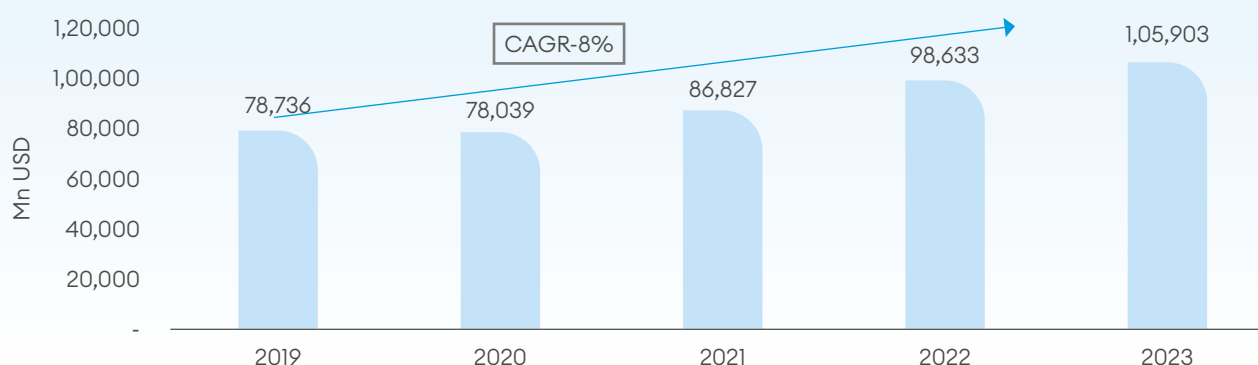
Overview of the Global and Indian Electricity Transmission Sector

Global Electricity Transmission Sector

The electricity demand is expected to grow globally majorly driven by the thriving wind, solar, natural gas-fired generation, and nuclear sectors. The demand is also expected to come from residential, commercial, and industrial activities and the rising electric vehicle growth.

Transmission lines are high-voltage power lines that distribute electricity over a long distance from big power plants to smaller power distribution lines for use at the local level. The increasing electricity demand in the world, especially the need to integrate renewable energy into the main grid line is projected to drive the transmission sector globally. The transmission sector has grown at a CAGR of 8% in CY19 at Mn 78,736 USD to Mn 1,05,903 USD in CY23.

Global Electricity Transmission Sector



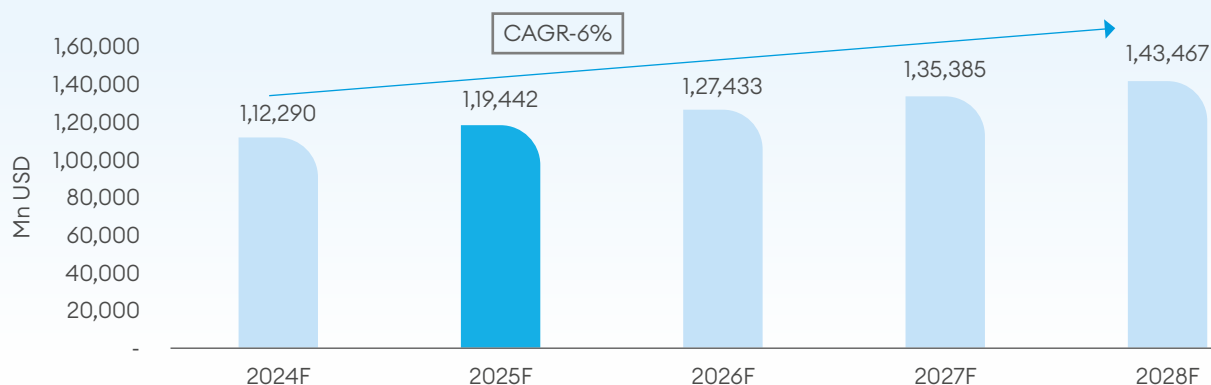
Source: Maia Research, CareEdge Research

Future Market Trends and Key Investment Drivers

The global transmission line market is poised for a transformative shift as the power generation sector is moving towards more sustainable and energy-efficient energy sources. The cross-border transmission lines and multilateral power trade around the world especially in ASEAN countries are expected to attract investments in the sector and grow the sector.

The market size consists of the entire supply chain of the power transmission sector is expected to grow at a CAGR of 6% from Mn 1,12,290 USD in CY24 to Mn 1,43,467 USD in CY28.

Global Electricity Transmission Sector Market Forecast



Source: Maia Research, CareEdge Research

The electricity transmission market is currently undergoing a major change with countries in pursuit of better efficiencies and more suitability for integrating renewable energy. Several countries are upgrading their transmission lines to higher voltages to reduce transmission losses. Whereas technological changes and upgrades are being made to make the transmission systems more stable against the intermittent nature of renewable energy sources.

Besides, the increased renewable power capacity has raised the need for countries to interconnect their transmission systems in order to balance generation and demand through the export and import of electricity. This has pushed the construction of higher-capacity interconnection lines.

Further, China and the US are the top two countries in terms of transmission length. Transmission lines are upgraded with advanced technologies in developed countries, given their universal access to electricity, contributing to the transmission sector growth. Whereas in developing countries, the growth is brought about by the expansion of grids to provide electricity to all parts.

Transmission Network in India

The transmission network in India operates at different voltages to cater to different needs in the industry. The different voltage levels include Extra High Voltage (EHV), High Voltage, Medium Voltage, and Low Voltage.

The following table shows the distribution of the voltage lines:

Distribution of Voltage Lines

Extra High Voltage 765 kV, 400 kV and 220 kV	High Voltage 132 kV and 66 kV
Medium Voltage 33 kV, 11 kV, 6.6 kV and 3.3 kV	Low Voltage 1.1kV, 220 kV and below

Further, India's power transmission system has expanded at a significant pace driven by growing demand, the government's focus on providing electricity in rural areas, and the need for connecting the generation stations including integration of RE sources from the RE-rich states. In addition, with the implementation of two Central Sector Schemes namely, the North Eastern Regional Power System Improvement Project (NERPSIP) and Comprehensive Scheme of Transmission & Distribution System in Arunachal Pradesh & Sikkim, the transmission and distribution infrastructure of North Eastern states are being strengthened.

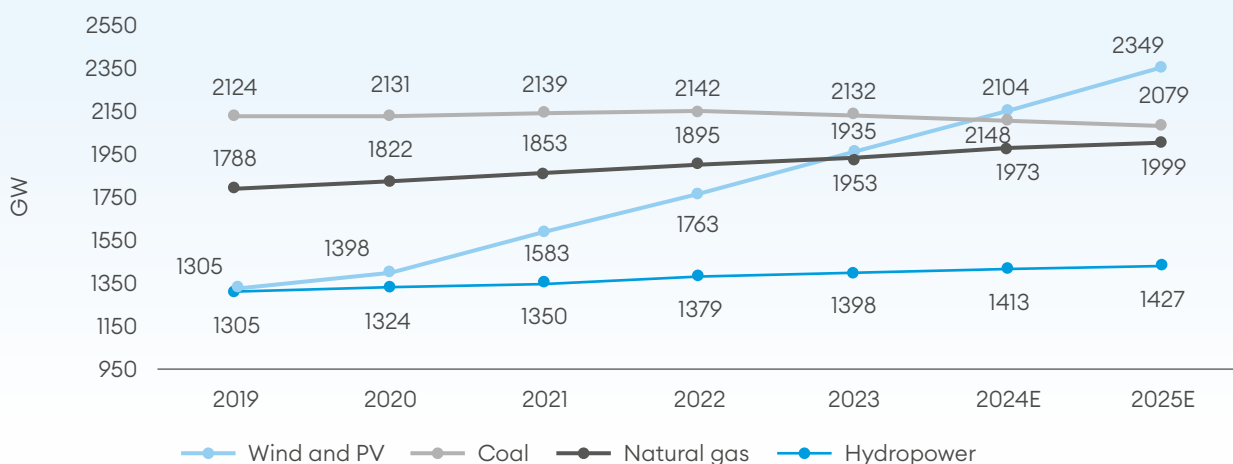
Moreover, the transmission line network grew at a CAGR of approximately 3% to 4,85,544 CKm as of March 2024 from 4,13,407 CKm as of March 2019. During FY24, 14,203 CKm of transmission lines were added to the total network. The transmission line network stood at 4,87,587 CKm as of July 2024. Whereas the transformation line capacity is at 12,65,700 MVA as of July 2024.

Overview of Global Renewable Energy

Global Power Sector

According to IEA, Renewable electricity capacity additions achieved an estimated 507 GW in 2023, marking an increase of nearly 50% compared to the previous year, 2022. The substantial growth is attributed to ongoing policy support in over 130 countries, prompting a significant shift in the global growth trend. The global acceleration in 2023 was primarily fuelled by the year-on-year expansion of China's thriving market for solar PV (+116%) and wind (+66%). The trend of increasing renewable power capacity additions is expected to persist over the next five years, with solar PV and wind collectively representing a record 96% of the total. This dominance is due to their lower generation costs compared to both fossil and non-fossil alternatives in most countries, coupled with sustained policy backing.

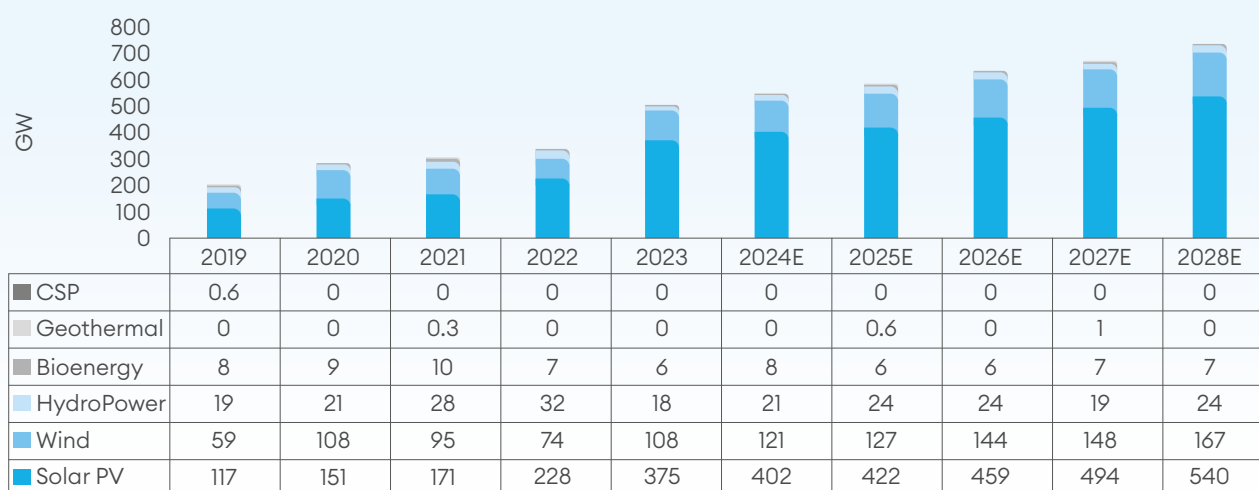
Global Power Sector Installed Capacity



Source: IEA

Global Renewable Installed Capacity

Forecasted Net Renewable Electricity Capacity Additions by Technology



Source: IEA

Solar PV capacity, encompassing both large utility-scale and small distributed systems, constitutes two-thirds of the anticipated growth in global renewable capacity for the current year. Solar PV and wind installed capacity constitute to more than 90% of the total renewable energy installed capacity. The installed capacity of renewable energy is expected to reach 11,000 GW by 2030 under COP28 targets.

Renewable Energy in India

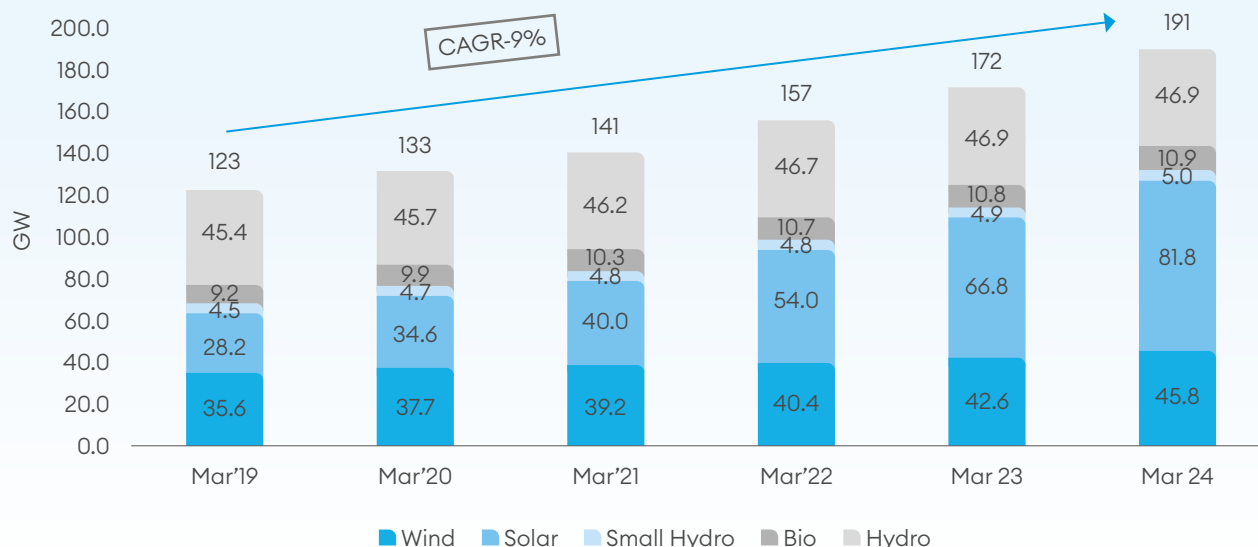
Overview

There has been a significant shift globally in the generation capacity mix due to the growing concerns towards the environment and climate change. India is an active

participant and has taken initiatives towards sustainable development and cleaner environment including significant additions of renewable energy generation capacity.

As per REN21 Renewables 2022 Global Status Report, India currently ranks 4th globally in total renewable energy installed capacity, wind power capacity and solar power capacity with generation from non-fossil fuel sources being 43% of the total installed generation capacity in 2024. The total potential of renewable power in India is estimated to be 1,639 GW as compared to installed capacity of 191 GW as on March 2024. The installed capacity of renewable energy has grown by 123 GW over FY19-FY24, implying a CAGR of around 9%.

Renewable Energy - Trend in Installed Capacity



Note: Small Hydro denotes projects up to 25 MW, Hydro Power Plants denotes projects more than 25 MW

Source: CEA, CareEdge Research

Global HVDC and FACTS Market

Overview

High Voltage Direct Current (HVDC) and Flexible AC Transmission Systems (FACTS) are both power transmission systems and methods for optimizing transmission performance. HVDC uses direct current for the transmission of bulk power over long distances. HVDC lines are less expensive and provide less loss of DC energy through long distances as compared to AC transmission. It interconnects the networks with different frequencies and characteristics. HVDC lines increase the efficiency of transmission lines due to which power is rapidly transferred. They are majorly used in the transmission of renewable energy.

Advantages of HVDC Transmission:

- Fewer conductors and insulators are required, reducing the system cost
- Requires less phase-to-phase and ground-to-ground clearance
- Lesser corona loss as compared to HVAC transmission lines of similar power
- Power loss is reduced with DC because fewer numbers of lines are required for power transmission
- Due to the absence of frequency in the HVDC line, losses like skin effect and proximity effect do not occur in the system

FACTS are used to control the transmission line power flow, voltage control, transient stability improvement, and oscillation damping. They are divided into three types, shunt compensation devices, series compensation devices, and combined series and shunt compensation devices.

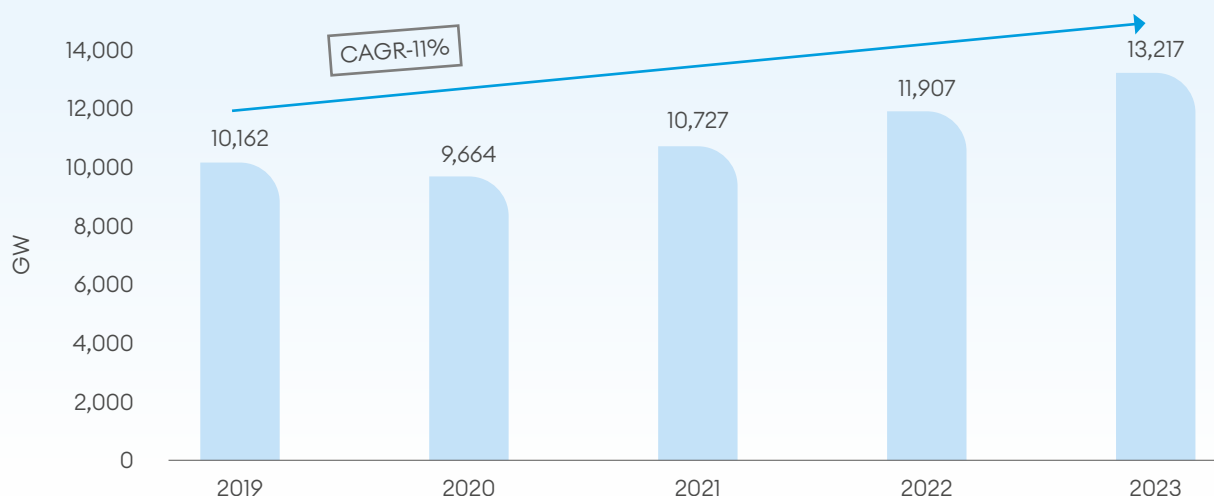
Further, FACTS are static power-electronic devices installed in AC transmission networks to increase power transfer capability. Also, these devices are employed for congestion management and loss optimization.

The increasing number of decentralized renewables power feeds makes it difficult to ensure reliable & stable grid operation. Therefore, FACTS are used to increase the reliability of AC grids, ensuring stability, and boosting transmission efficiency. With the help of these high voltage fluctuations, power failures can be prevented, network assets can be optimally utilized, and load-induced disturbances can be mitigated.

The installation of HVDC and FACTS systems is increasing at a rapid pace around the world, including in Europe, North and South America, and China. Another factor attributed to this accelerating trend, alongside the increasing renewable energy capacity, the thriving cross-regional electricity trading, and the rising demand for a more reliable electricity supply, is the economic feasibility of using HVDC to strengthen grid connections. The market also expects to witness 52% of the HVDC transmission capacity originating from Asia.

The global market for HVDC and FACTS has grown at a CAGR of 11% from Mn 10,162 USD in FY19 to Mn 13,217 USD in FY23.

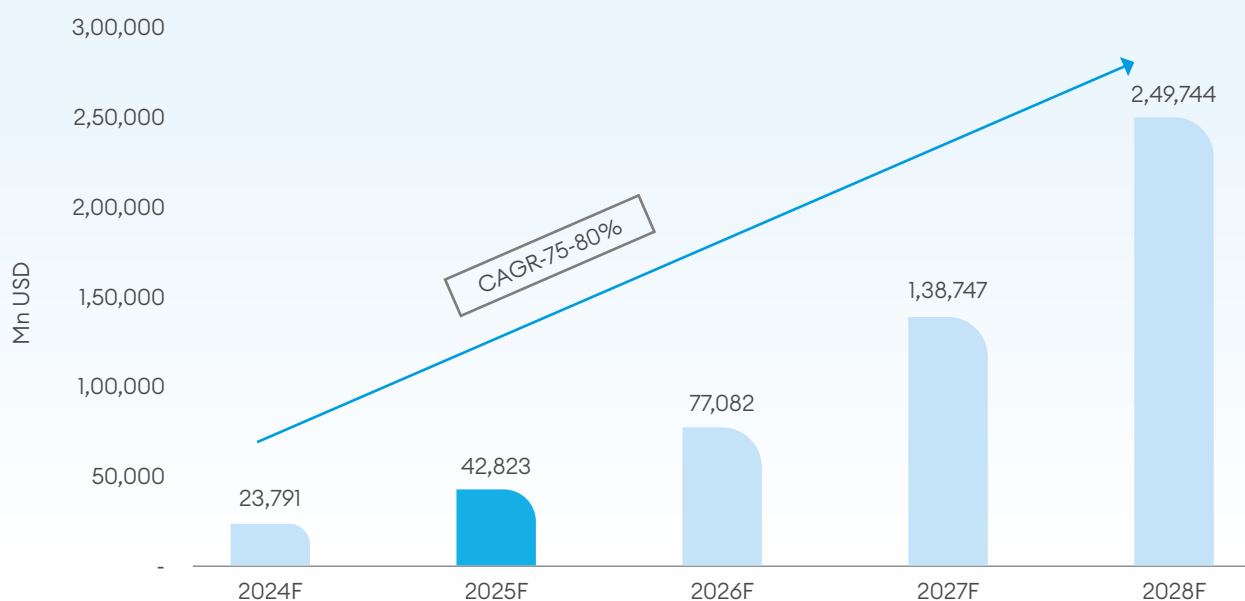
Global HVDC and FACTS market



Source: Maia Research, CareEdge Research, Industry Sources

Owing to increase in global adoption of renewable energy, the HVDC and FACTS market globally is expected to grow at a CAGR of 75-80% by CY28. This large growth is expected on the basis of projects approved all over the world and the back log in the supply of HVDC and FACTs globally.

Global HVDC and FACTS Market Forecast



Source: Maia Research, CareEdge Research, Industry Sources

HVDC and FACTS Market in India

High Voltage Direct Current (HVDC) Transmission has revolutionized the existing power system. The biggest advantage is the ease of long-distance and bulk power transmission, it has facilitated the transmission of electricity from power-rich states to power-deficit states, which coincidentally happen to be economically poor and economically rich respectively. There are currently five operational HVDC links in India namely Rihand-Dadri, Ballia-Bhiwadi, Chandrapur-Padga, Talcher-Kolar, and Mundra-Mohinderghar. Furthermore, the Biswanath-Agra link is commissioned.

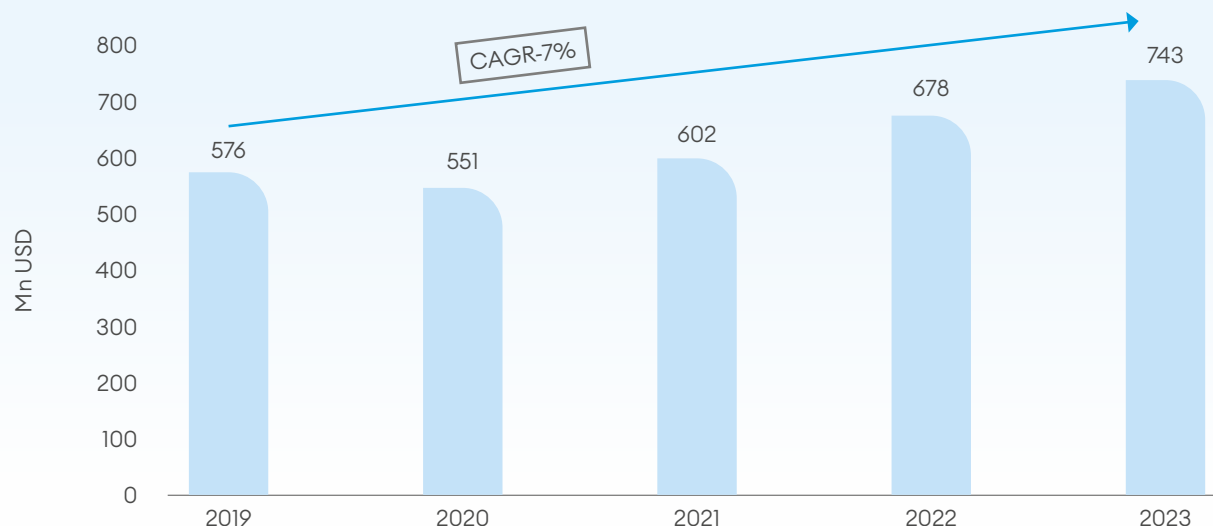
In India, the first FACTS device installed in India is Thyristor Controlled Series Capacitor (TCSC) with Fixed Series Compensation (FSC) at 400 kV transmission line between Kanpur (U.P) and Ballabgarh (Haryana) in the Northern Grid.

Some more existing FACTS projects working successfully in India are:

- Ranchi-Sipat 400 kV D/C, 376 Km transmission line with 40% FSC at Ranchi end
- Raipur-Rourkela 400 kV, D/C, 412 Km transmission line with FSC-TCSC installed at Raipur end
- FSC-TCSC installed at Kalpakam-Khammam 400 kV, D/C, 364 Km transmission line in Andhra Pradesh

The HVDC and FACTS market in India has grown at a CAGR of 7% from 576 Mn USD in CY19 to 743 Mn USD in CY23.

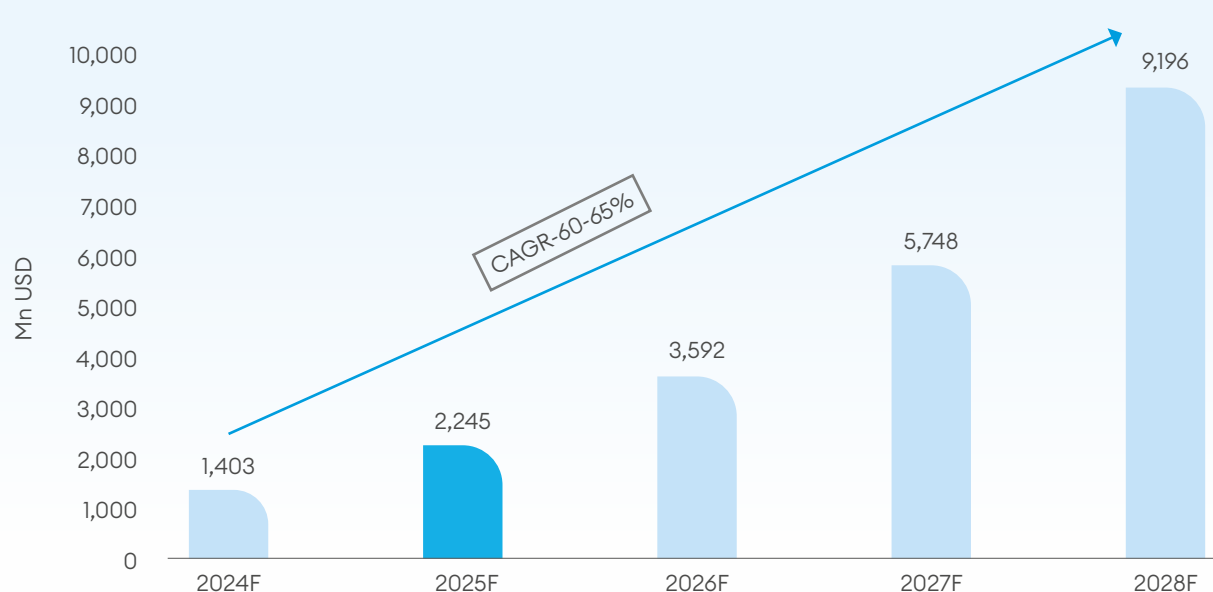
HVDC and FACTS Market in India



Source: Maia Research, CareEdge Research

The HVDC and FACTS Market in India is expected to grow at a CAGR of 60-65% from USD 1,403 Mn in CY24 to USD 9,196 Mn in CY28 due to the increased focus on the addition of renewable energy in the main stream electricity supply of the country.

HVDC and FACTS Market Forecast in India



Source: Maia Research, CareEdge Research, Industry Sources

Note- The quantum of the HVDC transmission projects announced far exceeds the forecasted trajectory. India has planned HVDC projects with a current investment of Rs 76,000 cr. With the tendered orders an additional of Rs 30,000 to 40,000 cr. It is estimated to be added in the next 4 to 5 years. The estimated projects awarded in the market is sizeable and if executed and operationalised will result in addition to the market size of the industry in the medium to long term.

STATCOM

Overview

STATCOM stands for Static Synchronous Compensator. It is a power electronic device type used in electricity grids to regulate voltage, improve power quality, and enhance grid stability. A STATCOM operates by generating or absorbing reactive power to maintain the voltage within acceptable limits, especially during transient conditions or grid fluctuations. This helps improve the overall efficiency and reliability of the electrical system.

STATCOM (Static Synchronous Compensator) finds various applications in electrical power systems to enhance grid stability, improve power quality, and support voltage regulation. Some common applications of STATCOM include:

Voltage Regulation: STATCOMs are used to regulate voltage levels in transmission and distribution networks. By injecting or absorbing reactive power, STATCOMs help maintain the voltage within acceptable limits, ensuring a stable operation of electrical equipment and systems.

Power Factor Correction: STATCOMs can be employed to correct power factor issues in industrial and commercial facilities. By supplying or absorbing reactive power as needed, STATCOMs help improve power factor, thereby optimizing the efficiency of power distribution systems.

Grid Stability Enhancement: STATCOMs play a crucial role in enhancing the stability of power grids, especially during transient events or disturbances. By providing rapid and precise reactive power support, STATCOMs help dampen voltage fluctuations and stabilize grid operation, preventing voltage collapses and blackouts.

Renewable Energy Integration: STATCOMs are increasingly used in renewable energy systems, such as wind farms and solar power plants, to mitigate voltage fluctuations and grid integration challenges. By providing reactive power support, STATCOMs facilitate a smooth integration of variable renewable energy sources into the grid.

Industrial Applications: STATCOMs are utilized in various industrial applications to improve power quality, stabilize voltage levels, and mitigate harmonics. They are commonly deployed in industries with sensitive equipment, such as manufacturing plants, data centres, and semiconductor facilities, to ensure reliable & stable power supply.

Transmission Line Compensation: STATCOMs can be installed at strategic locations along transmission lines to compensate for voltage drops, line losses, and reactive power demand. This helps optimize power transfer capacity, reduce transmission losses, and enhance overall grid efficiency.

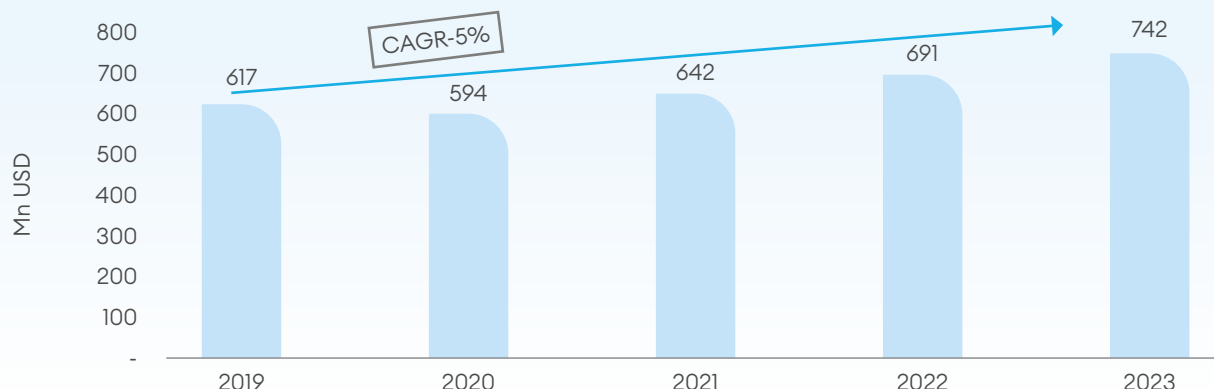
Global STATCOM Market Size

The integration of renewable energy sources into the power grid presents challenges related to voltage fluctuations and intermittent power generation. Also, the rising demand for electricity worldwide calls for grid stability and power quality. In this regard, STATCOM solutions help stabilize the grid and help with the seamless integration of renewable energy in the main power grid. Similarly, governments worldwide are implementing regulations and policies to promote clean energy generation and grid stability. Accordingly, the market for STATCOM technologies is expected to gain more traction in the coming years.

Furthermore, research and development efforts are ongoing to improve the ability of STATCOMs, resulting in improved efficiency, reliability, and cost-effectiveness. The market for STATCOMs is geographically segmented into regions such as North America, Europe, Asia Pacific, Latin America, and the Middle East & Africa. Asia Pacific is anticipated to dominate the global STATCOM market, owing to rapid industrialization, urbanization, and infrastructure development initiatives in countries like China, India, and South Korea.

The global STATCOM market has grown at a CAGR of 5% from 2019 to 2023 to reach Mn 742 USD from Mn 617 USD in 2019.

Global STATCOM Market Size

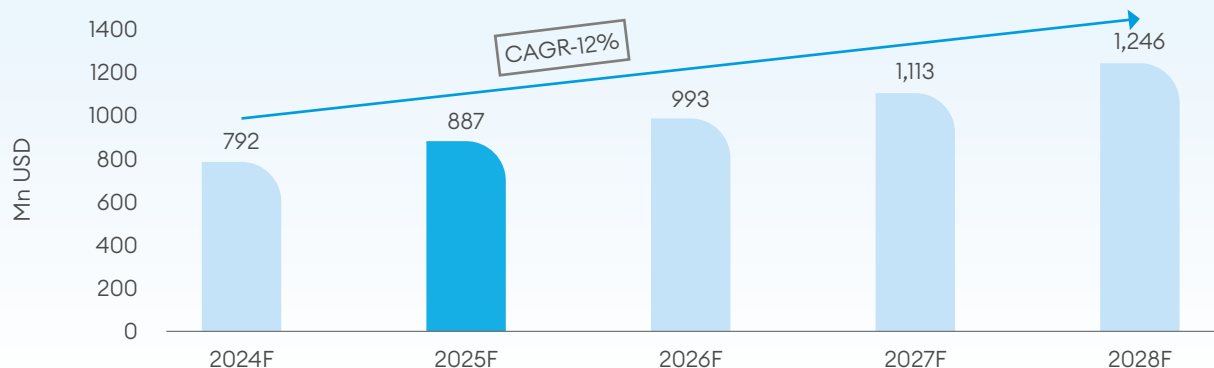


Source: Maia Research, CareEdge Research

Moreover, rapid industrialization & urbanization and a rising population are expected to substantially raise power consumption. This will further necessitate robust power transmission and distribution systems. Such factors alongside the global shift to sustainable energy sources are expected to drive the STATCOM market globally.

The global STATCOM market is expected to grow at a CAGR of 12% from Mn 792 USD in 2024 to Mn 1,246 USD in 2028.

Global STATCOM Market Size Forecast

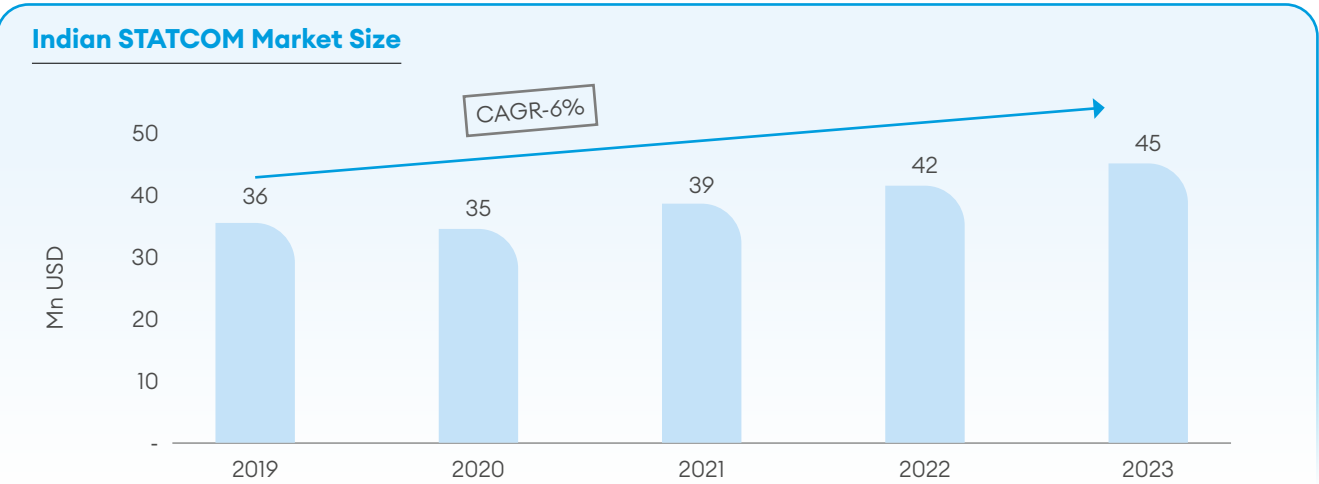


Source: Maia Research, CareEdge Research, Industry Sources

Indian STATCOM Market Size

The Indian STATCOM market has been witnessing steady growth, propelled by rising investments in renewable energy integration, grid modernization projects, and infrastructure development initiatives. The market for STATCOM has grown at a CAGR of 6% from Mn 36 USD in 2019 to Mn 45 USD in 2023.

The growth of the Indian STATCOM market is primarily driven by growing concerns regarding grid stability and power quality, increasing renewable energy penetration, rising demand for efficient power transmission and distribution systems, and government initiatives promoting clean energy and sustainable development. The domestic market for STATCOM and the pent-up demand from exports project about 35-40% CAGR for this product.

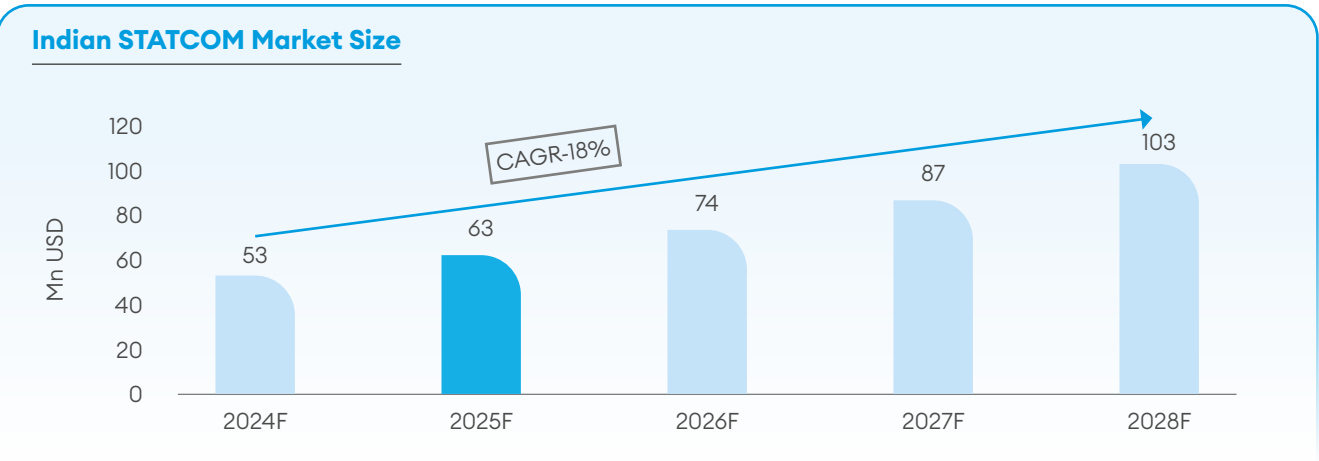


Source: Maia Research, CareEdge Research

Furthermore, the growing use of STATCOM in high voltage direct systems and its adoption in renewable energy industries for voltage stability electric utility applications are expected to drive the Indian STATCOM market. This will be supplemented by the high demand for STATCOM from the expanding industrial sector and the rising use of STATCOM in photovoltaic generation.

Moreover, the Indian government has been implementing various policies and initiatives to promote the adoption of STATCOMs and other FACTS (Flexible Alternating Current Transmission Systems) solutions in the country. For instance, initiatives such as the Green Energy Corridor project, Smart Grid Mission, and UDAY (Ujwal DISCOM Assurance Yojana) scheme aim to modernize the power sector and enhance grid reliability and stability.

The Indian STATCOM market size is expected to grow at a CAGR of about 18% from Mn 53 USD in 2024 to Mn 103 USD in 2028.



Source: Maia Research, CareEdge Research, Industry Sources

Global High Voltage Products

Overview

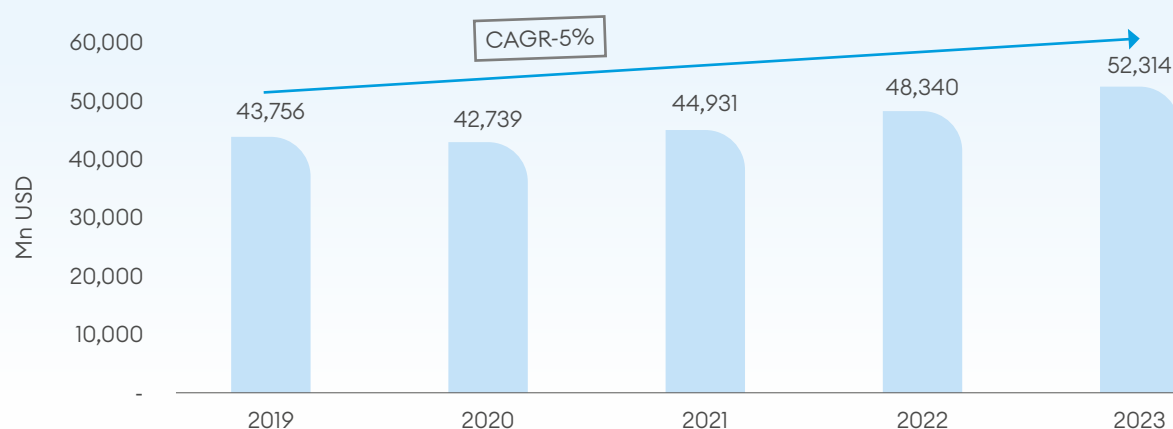
High-voltage power is AC (alternating current) power with a voltage exceeding 1000V or 1500V DC (direct current) in distribution lines (International Electrotechnical Commission standard). High-voltage products are a series of key products that ensure safe, reliable, and efficient power transmission under high voltage, such as High Voltage Special Power Transformers, High Voltage Reactors, and others. These products play a crucial role in various industries, including power generation, transmission, distribution, and industrial applications.

Different Types of High Voltage Products

Types	Description
High-Voltage Special Power Transformers	High-voltage transformers convert voltages from one level or phase configuration to another, usually from higher to lower. They can include features for electrical isolation, power distribution, and control & instrumentation applications. The transformer design is based on the principle of magnetic induction between coils to convert voltage and/or current levels.
High-Voltage Reactors	A high-voltage reactor is a coil wired in series between two points in a power system to minimize inrush current, voltage notching effects, and voltage spikes. Reactors may be tapped so that the voltage across them can be changed to compensate for a change in the load that the motor is starting.
High-Voltage Breaker Products	High-voltage circuit breakers are mechanical switching devices which connect and break current circuits (operating currents and fault currents) and carry the nominal current in closed position.
Others	Other high-voltage products include capacitors, combined electrical appliances, transformers, lightning arresters, coupling capacitors, transmission lines, power cables, grounding devices, generators, condensers, electric motors, closed busbars, thyristors, etc.

The global high voltage products value grew at a CAGR of 5% in the period from 2019-2023. The industry grew from USD 43,756 million in 2019 to USD 52,314 million in 2023. In 2023, high-voltage special power transformers had the highest product market share at 33.8% followed by high-voltage switchgear, high-voltage reactors, high-voltage breakers, and others at 21.2%, 8.7%, 5.0%, and 31.3%, respectively. Whereas the utility market by application contributes the largest share at 60.1% followed by industrial, commercial, and others at 19.2%, 10.8%, and 9.9%, respectively, as of 2023 the growth is determined by energy requirements and governments shift towards renewable energy which has resulted in development of transmission grids.

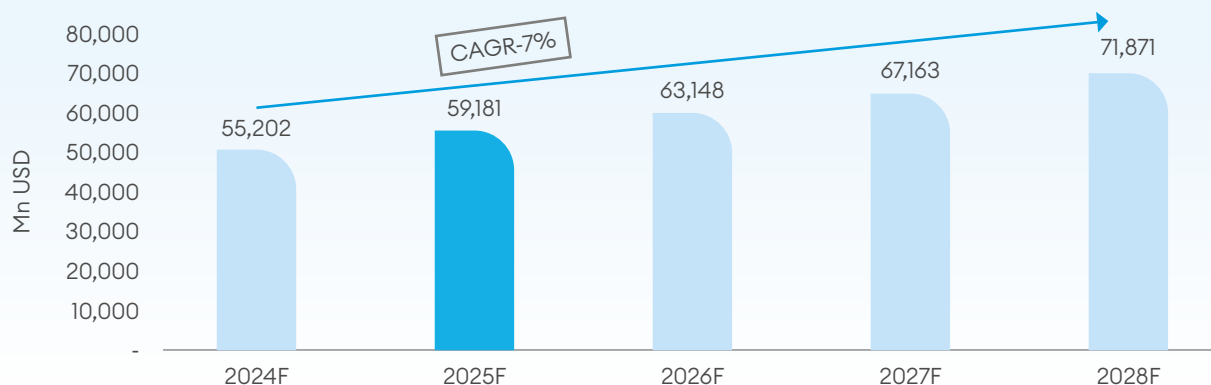
Global High Voltage Products



Source: Maia Research, CareEdge Research

The global high voltage products value is expected to grow at a CAGR of 7% in the period from 2023-2028. The industry is expected to grow from USD 52,314 million in 2023 to USD 71,871 million in 2028. In 2028, high-voltage special power transformers will contribute around 35.3% of the market share followed by high-voltage switchgear, high-voltage reactors, high-voltage breakers, and others at 21.2%, 8.2%, 4.8%, and 30.4%, respectively. Whereas the utility market by application will continue to contribute the largest share at 60.3% followed by Industrial, Commercial and Others at 18.6%, 11.1% and 10.1% respectively as of 2028. The government's stance on Net-Zero carbon has resulted in the focus from thermal energy to renewable energy which will lead to an increase in transmission grids and high voltage product requirements.

Global High Voltage Products Forecast

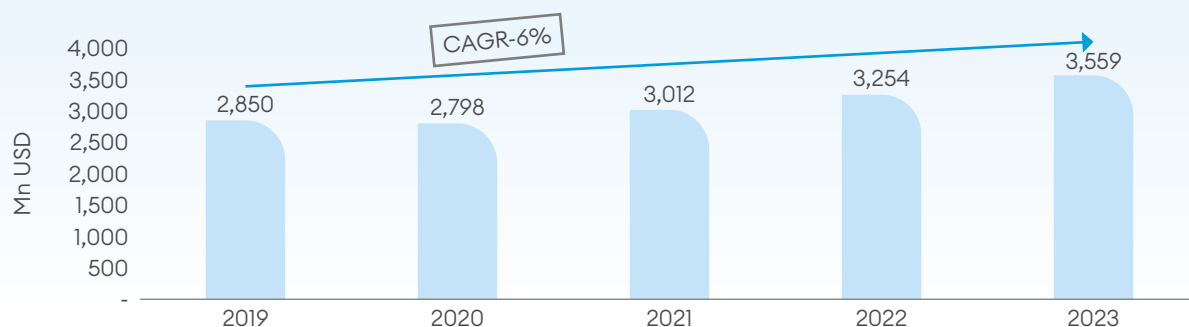


Source: Maia Research, CareEdge Research

Indian High-Voltage Products Market

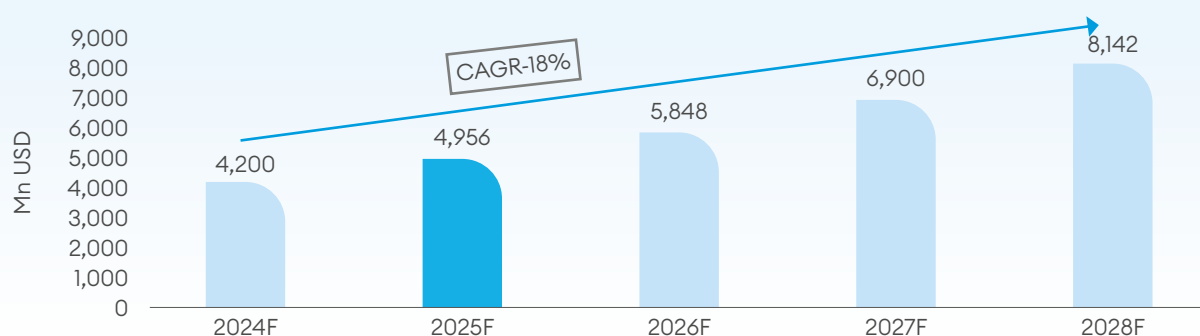
The high-voltage products market in India encompasses a broad spectrum of electrical equipment designed to handle and control high levels of voltage in various applications across the country. The Indian high-voltage products value grew at a CAGR of 6% in the period from 2019-2023. The industry grew from USD 2,850 million in 2019 to USD 3,558 million in 2023. In 2023, high-voltage special power transformers had the highest product market share at 37.3% followed by high-voltage switchgear, high-voltage reactors, high-voltage breakers, and others at 25.1%, 6.9%, 4.5%, and 26.2% respectively. The utility market by application contributes the largest share at 62.9% followed by industrial, commercial, and others at 21.5%, 7.1%, and 8.5%, respectively as of 2023. India has ambitious targets for renewable energy deployment, including solar, wind, and hydroelectric power. India is investing heavily in infrastructure projects to modernize its power transmission and distribution networks, improve grid reliability, and meet the growing energy demand. Initiatives such as the Green Energy Corridors, Smart Cities Mission, and Rural Electrification Program drive the demand for high-voltage products across the country.

Global High Voltage Products Forecast



Source: Maia Research, CareEdge Research

Global High Voltage Products Forecast



Source: Maia Research, CareEdge Research

Global Power Quality Products Market

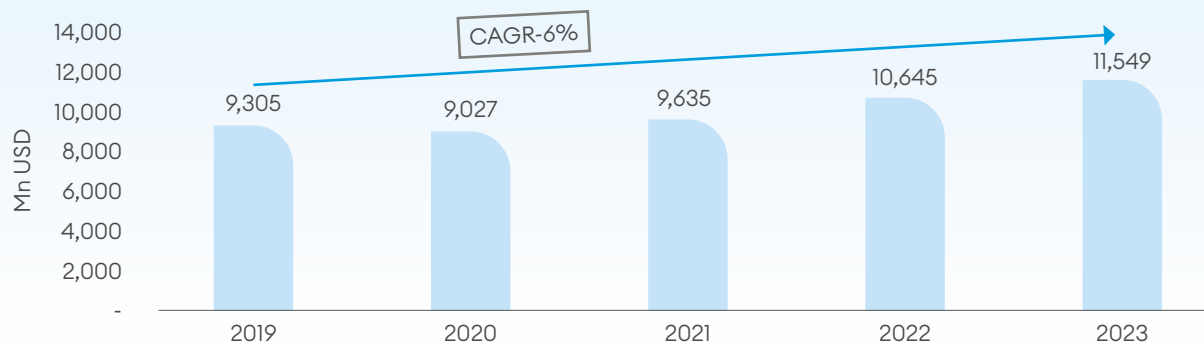
Overview

Power quality is the quality of electric energy in the power system. The main indicators to measure power quality are voltage, frequency, and waveform. Deviations in voltage, current, or frequency that cause electrical equipment to malfunction or not work properly are defined as power quality problems. Power quality products are used to eliminate power quality problems and extend the operating life of electrical systems.

Types	Description
Harmonic Filters	Harmonic filters are series or parallel resonant circuits designed to shunt or block harmonic currents. They reduce the harmonic currents flowing in the power system from the source, and thereby, reduce the harmonic voltage distortion in the system.
Static Var Compensator (SVC)	A static VAR compensator (SVC) is a set of electrical devices for providing fast-acting reactive power on high-voltage electricity transmission networks. SVCs can regulate voltage, power factor, and harmonics and stabilize the system.
Static Synchronous Compensator (STATCOM)	A Static synchronous Compensator (STATCOM) is a fast-acting device capable of providing or absorbing reactive current, thereby regulating the voltage at the point of connection to a power grid. It is categorized under Flexible AC transmission system (FACTS) devices. The technology is based on VSCs with semi-conductor valves in a modular multi-level configuration.
Others	Other Power Quality Products include output filters and LCL filters and so on. An output filter helps approximate the ideal waveform by blocking undesirable ripple voltages and currents from reaching the load. LCL filter is a type of filter used in power electronics to reduce harmonic distortion and improve the performance of power converters. The acronym LCL stands for the inductance (L), capacitance (C), and inductance (L) components that make up the filter.

The global power quality products market grew at a CAGR of 6% in the period from 2019-2023. The industry grew from USD 9,305 million in 2019 to USD 11,549 million in 2023. In 2023, capacitor banks had the highest product market share at 31.5% followed by static var compensator (SVC), harmonic filters, static synchronous (STATCOM), and others at 16.9%, 11.9%, 6.4%, and 33.3%, respectively. Whereas the public utility market by application contributes the largest share at 46.5% followed by industrial and others at 28.1% and 25.4%, respectively, as of 2023. The power quality products market experienced significant growth due to the increasing importance of maintaining a stable, reliable, and high-quality electrical power supply.

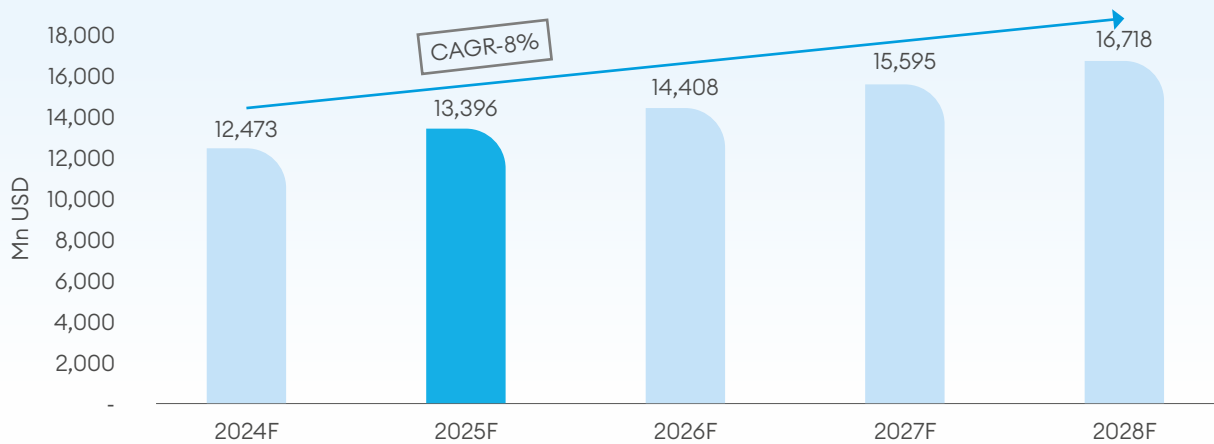
Global Power Quality Products Market



Source: Maia Research, CareEdge Research

The global power quality products market is expected to grow at a CAGR of 8% in the period from 2023-2028. The industry is expected to grow from USD 11,549 million in 2023 to USD 16,718 million in 2028. In 2028, capacitor banks will contribute around 31.5% of the market share followed by static var compensator (SVC), harmonic filters, static synchronous (STATCOM), and others at 17.0%, 12.5%, 6.1%, and 32.8%, respectively. Whereas the public utility market by application will continue to contribute the largest share at 46.7% followed by industrial and others at 27.4% and 25.9%, respectively, as of 2028 driven by several factors, including the increasing reliance on sensitive electronic equipment, the growing awareness of the importance of power quality, and the expansion of renewable energy integration and electrification initiatives.

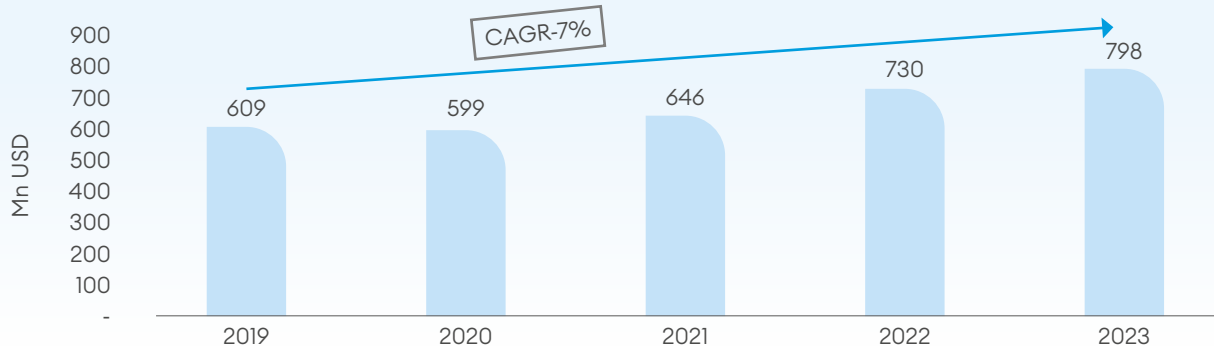
Global Power Quality Products Market Forecast



Source: Maia Research, CareEdge Research

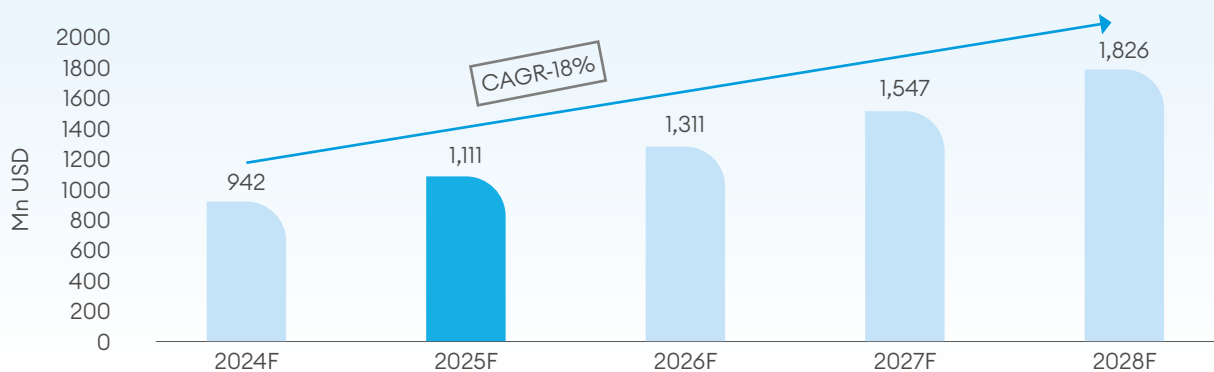
Indian Power Quality Products Market

The power quality products market in India has witnessed significant growth in recent years, driven by ambitious targets for renewable energy deployment, including solar, wind, and hydroelectric power. The Indian power quality products market grew at a CAGR of 7% in the period from 2019-2023. The industry grew from USD 609 million in 2019 to USD 798 million in 2023. In 2023, capacitor banks had the highest product market share at 28.6% followed by harmonic filters, static var compensator (SVC), static synchronous (STATCOM), and others at 18.5%, 13.3%, 5.7%, and 33.9%, respectively. Whereas the public utility market by application contributes the largest share at 46.1% followed by industrial and others at 31.3% and 22.7%, respectively, as of 2023. Indian Power Quality Products Market



Source: Maia Research, CareEdge Research

Global Power Quality Products Market Forecast



Source: Maia Research, CareEdge Research

About Quality Power Electricals Equipment Ltd

Quality Power is an Indian player serving global clients in critical energy transition equipments and power technologies. The Company provides high voltage electrical equipment and solutions for electrical grid connectivity and energy transition. Quality Power is a technology-driven company specializing in the provision of power products and solutions across power generation, transmission, distribution, and automation sectors. Besides, the Company offers equipment and solutions tailored for emerging applications such as large-scale renewables

The Company's manufacturing facilities adhere to the quality and sustainability standards required by its global conglomerate clientele, including those listed on the Fortune 500. Additionally, the Company's Test & Research Lab in Sangli holds ISO 17025 accreditation from the National Accreditation Board for Testing and Calibration Laboratories (NABL), certifying it as an independent test laboratory that complies with both Indian and international standards for systems up to 765kV.

Quality Power is among the few global manufacturers of critical high voltage equipment for High Voltage Direct Current (HVDC) and Flexible AC Transmission Systems (FACTS) networks. These equipments and networks form key components for energy transition from renewable sources to traditional power grids. With over two decades of experience in the energy transition space, the Company provides an extensive range of products crucial for effective power transmission and advanced power automation. The Company's offerings include reactors, transformers, line traps, instrument transformers, capacitor banks, converters, harmonic filters and reactive power compensation systems. Additionally, the Company's grid interconnection solutions feature technologies such as STATCOM and static var compensator systems ("SVC"). The Company's domestic and global footprint allows it to cater to both Indian as well as global customer base

HVDC technology is transforming the landscape of electricity transmission by enabling efficient, long-distance power transfer with markedly reduced energy losses. This advancement is crucial for integrating renewable energy sources from remote locations, such as offshore wind farms and solar plants in remote regions, into urban areas. FACTS devices, including Static Synchronous Compensators (STATCOM), are pivotal in ensuring grid stability and reliability. They manage fluctuations from variable renewable energy sources through dynamic voltage regulation and reactive power compensation. The adoption of HVDC and STATCOM technologies is vital for the green energy transition, as they facilitate the efficient and stable integration of renewables into the power grid.

Quality Power's portfolio of high voltage products and solutions is critical for advancing and modernizing electrical networks. The Company's technologies are designed to enhance grid reliability and performance by providing

critical support for power grid management and overall network stability. Engineered to meet the demanding requirements of contemporary electrical infrastructure, these products ensure optimal efficiency and resilience. The Company's high voltage solutions help to maintain and improve network performance, offering advanced capabilities to address the complexities of modern energy systems and assist operators in effectively managing power quality and operational reliability. The Company's product portfolio contributes in advancing decarbonization efforts, sustainability, and green energy initiatives. The Company offering a range of technology-driven products, comprehensive system solutions, and professional services tailored for the power sector. Since its inception in 2001, the Company's operations span across multiple key areas, including (i) power transmission, providing effective transfer of electricity over distances, (ii) power distribution, ensuring the delivery of electricity to end users, and (iii) power automation, integrating advanced technologies for efficient power management. The Company also specializes in grid interconnection equipment, which addresses infrastructure and devices needed to connect multiple power grids or electrical systems. This equipment is crucial for facilitating the smooth transfer of energy between various stages: from generation to transmission, and from transmission to distribution, ensuring that energy flows throughout the power system, promoting integration and consistent operation.

The Company's manufacturing operations in India are spread across two locations, including Sangli, Maharashtra and Aluva (Cochin), Kerala. As part of its global expansion, the Company acquired Endoks Enerji Degitim Sistemleri Lth Lhr Sti ("Endoks") in 2011, which has design, operation, assembly and project management & delivery facilities in Ankara, Turkey.

The Company's manufacturing facilities are accredited as ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 by TUV India Private Limited. Further, the Company complies with ISO standards for customer satisfaction, energy management, occupational health and safety, environmental management, quality management, and information security, reflecting its commitment in diverse operational areas. The Company has been awarded the status as a 'One Star Export House' in accordance with the provisions of the Foreign Trade Policy, 2023 by the Directorate General of Foreign Trade, Ministry of Commerce & Industry.

To grow and expand its business, the Company evaluates targets for acquisitions and seeks opportunities to acquire businesses which complement its product offerings, strengthen or establish its presence in its targeted domestic and international markets or enhance the knowledge base and know-how and provide synergy to its existing businesses and operations.

Accordingly, the Company acquired 522,750 equity shares from the promoters of Mehru Electrical and Mechanical Engineers Private Limited for a total cash consideration of ₹ 1200.00 millions on March 6th, 2025.

Threats and Challenges to the Company

Project Approval and Permitting Delays

Navigating the complex and government approvals processes can delay project timelines. Frequent regulatory changes can create uncertainty and hinder long-term planning with delays in approvals and adapting to new regulations can result in increased costs and missed opportunities. Securing environmental clearances can be particularly challenging, involving extensive documentation and assessments. Additionally, projects may encounter opposition from environmental groups, leading to further delays and heightened scrutiny.

Lack of Skilled Talent

Designing and engineering advanced electrical equipment require highly skilled engineers and designers. The need for highly skilled engineers and designers and retaining top talent can create a talent acquisition challenge with Rapid changes in technology necessitate continuous learning and adaptation, which can be resource-intensive and meeting specific customer requirements with customized solutions increases complexity and cost.

Grid Compatibility and Interoperability

Adhering to various national and international standards for electrical equipment can be complex and expensive, as obtaining the necessary certifications and approvals is often a lengthy and costly process. Ensuring new equipment is compatible with existing grid infrastructure presents significant technical challenges, leading to additional costs for modifying existing systems to accommodate new equipment.

High Initial Investment

Electrical equipment manufacturing requires significant upfront capital for setting up manufacturing units, procuring raw materials, and implementing advanced technologies. Securing new funding can be a challenging task for scaling up due to long payback period and rapid technological change in power sector.

Maintenance, Reliability, and Safety

Equipment failures or maintenance downtime can cause significant financial losses and disrupt operations. Frequent downtimes can harm the company's reputation for reliability. Meeting strict safety standards to prevent accidents is resource-intensive and failures can lead to legal issues, fines, and compensation claims. Consistently maintaining high reliability levels for customer satisfaction can be challenging, especially in harsh or variable environmental conditions.

Category-wise break-up of the revenue

Particulars	FY 2025		FY 2024		FY 2023	
	Revenue (₹ in million)	As a % of total revenue from operations	Revenue (₹ in million)	As a % of total revenue from operations	Revenue (₹ in million)	As a % of total revenue from operations
Power Products	1756.21	52.17	1243.32	41.19	849.01	33.52
Power Quality Equipment	1551.18	46.08	1,678.33	55.61	1,618.10	63.89
Others	59.07	1.75	96.55	3.20	65.39	2.58
Total	3366.46	100.00	3018.20	100.00	2,532.50	100.00

KEY FINANCIAL & OPERATIONAL PERFORMANCE INDICATORS

The Company is dedicated to driving initiatives that propel performance, with a strong focus on risk management, internal controls and cost optimization through rigorous operational and financial practices. During FY 2024-25, the Company performance - consolidated had achieved an increase of 18.32% on total revenue with an increase of profit before tax and profit for the year of 77.47 % and 80.52 % respectively over the previous FY. This was possible mainly due to improved order execution, effective cost control measures and improved product mix. Also, during the financial year, the company's debt decreased considerably, and its cash and cash equivalent increased from Rs. 473.09 m to Rs. 1808.88 m.

The Company, at its IPO Committee meeting held on 20th February 2025 approved allotment of 2,02,04,600 equity shares (a fresh issue of 52,94,100 equity shares and offer for sale of 1,49,10,500 equity shares) of Rs.10 each pursuant to Initial Public Offer at a securities premium of Rs. 415 per equity share under fresh issue. The Equity Shares of the Company were listed on BSE Limited ("BSE") and National Stock Exchange of India limited ("NSE") on 24th February 2025.

On 6th March 2025, the Company acquired 51% of the equity shares of Mehru Electrical & Mechanical Engineers Private Limited, thereby obtaining control over it. The acquisition was made for a total consideration of ₹1,200 Million, funded by the IPO proceeds. An advance of ₹30 Million was paid on 23rd May 2024, and the remaining ₹1170 Million was paid on 6th March 2025

The Company's Financial performance, both Consolidated and Standalone are:

A. Financial performance- Consolidated

(Rs. in million)

Particulars	FY 2025	FY 2024
Total Revenue	3923.47	3315.92
Profit before tax	1122.63	632.57
Profit for the year	1001.49	554.76
Net Worth	5937.15	1903.2

B. Financial performance -Standalone

(Rs. in million)

Particulars	FY 2025	FY 2024
Total Revenue	1557.29	1,336.79
Profit before tax	394.44	237.10
Profit for the year	303.11	175.44
Net Worth	3330.61	940.91

Key financial ratios

Sr. No.	Particulars	March 31, 2025	March 31, 2024
1	Current Ratio	6.23	1.39
2	Debt-Equity Ratio	0.02	0.23
3	Debt Service Coverage Ratio	20.53	13.01
4	Return on Equity Ratio	0.12	0.21
5	Inventory Turnover Ratio	9.79	12.89
6	Trade Receivables Turnover Ratio	5.34	6.77
7	Trade Payables Turnover Ratio	5.54	5.34
8	Net Capital Turnover Ratio	1.00	7.52
9	Net Profit Ratio	0.20	0.14
10	Return on Capital Employed	16.75%	23.87%

The major reason for significant variances for 25 % or more as follows :

Sr. No.	Particulars	March 31, 2025
1	Current Ratio	i) Increase in Cash and Cash Equivalent due to proceeds from Initial Public Offer (IPO). ii) Reduction in Cash Credit.
2	Debt-Equity Ratio	An increase in share capital due to fresh issue of shares in IPO
3	Debt Service Coverage Ratio	Due to increase in EBITDA
4	Return on Equity Ratio	Due to increase in Share Capital due to Initial Public Offer (IPO)
5	Inventory Turnover Ratio	NA
6	Trade Receivables Turnover Ratio	NA
7	Trade Payables Turnover Ratio	NA
8	Net Capital Turnover Ratio	Due to increase in working capital & revenue
9	Net Profit Ratio	Due to increase in revenue
10	Return on Capital Employed	Due to increase in Share Capital due to Initial Public Offer (IPO)

Manufacturing facilities

Manufacturing Facilities and Expertise

Quality Power Group operates a robust network of manufacturing facilities across India and abroad, strategically located in Sangli (Maharashtra), Bhiwadi (NCR, Rajasthan), Aluva (Kerala), Chennai (Tamil Nadu), and Ankara (Turkey). Collectively, these plants form the backbone of the company's global delivery capability, enabling it to serve utilities, industrial customers, and OEMs across more than 100 countries. Each facility has been developed with a clear focus on advanced engineering, precision manufacturing, and compliance with international benchmarks, comparable to the best practices followed by global leaders such as Hitachi Energy and Siemens Energy.

The Group's facilities are certified to ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management), and ISO 45001:2018 (Occupational Health and Safety Management), ensuring that every stage of production meets stringent global requirements. This integrated management system reflects Quality Power's long-standing commitment to operational excellence, sustainability, and workplace safety. Beyond certifications, the facilities are approved and routinely audited by leading regional and global utilities, underscoring the credibility of the Group's manufacturing systems and processes.

The product portfolio manufactured across these plants spans a wide spectrum of high-voltage and medium-voltage equipment. This includes reactors for HVDC and FACTS applications, shunt and line reactors, instrument transformers (CTs, PTs, CVTs, IVTs), special-purpose transformers, line traps, power quality solutions, and embedded automation systems. Each facility is equipped with fully owned, modern machinery and precision tooling, ensuring end-to-end control of quality and the flexibility to adapt to the unique technical requirements of global clients. The Group currently directly and contractually employs more than 1,500 highly qualified engineers, technicians, and indirect personnel, providing the expertise and scale needed to execute complex projects to demanding delivery schedules.

Quality Power places significant emphasis on testing and validation. In line with this, the Group operates multiple in-house test laboratories that provide full compliance verification to IEC, IEEE, and regional standards. The Sangli and Bhiwadi facilities house NABL-accredited laboratories, independently certified under ISO/IEC 17025. This accreditation allows the Group to function as an independent test centre, ensuring impartiality and reliability of results while reducing dependence on third-party testing. These laboratories are equipped to perform routine, type, and special tests up to the highest voltage levels, allowing Quality Power to deliver equipment with proven performance in the most demanding operating environments.

Human resources

Human Resources and Talent Development

Quality Power Group employs over 1,500 direct and indirect professionals across its global operations, including engineers, technologists, project managers, and skilled technicians. This workforce is central to the Group's ability to deliver complex high-voltage and medium-voltage solutions that meet the exacting standards of utilities and industrial clients worldwide.

The human resources strategy is focused on attracting, developing, and retaining talent aligned with the company's business objectives. Recruitment draws from leading engineering institutes and vocational programs as well as experienced professionals from the global energy industry. Once onboarded, employees participate in structured technical and managerial training covering transformer and reactor design, grid automation, embedded systems, and compliance with IEC, IEEE, and regional standards.

Continuous learning is a cornerstone of the HR framework. Training programs are delivered through in-house centres, partnerships with academic institutions, and global project exposure. Employees are encouraged to pursue professional certifications, ensuring their skills evolve with industry technologies and regulatory requirements.

Workplace culture emphasizes safety, integrity, and collaboration. All facilities operate under ISO 45001:2018, with rigorous occupational health and safety protocols embedded in daily practice. Diversity and inclusion are also key priorities, with initiatives to expand the role of women professionals across technical and leadership functions.

Career progression is supported by competency frameworks, mentorship, and structured engagement programs. Recognition and reward systems emphasize both performance and adherence to organizational values. Employees also benefit from international project assignments, which provide cross-cultural exposure and broaden technical expertise.

Through this combination of talent development, global exposure, and a strong culture of safety and integrity, Quality Power ensures its human resources remain a strategic driver of growth and innovation in the evolving global energy landscape.

Risk and Internal Controls

A strong internal control framework has been integral to the Company's operations and corporate governance. This framework ensures the reliability of financial information, compliance with laws and regulations, and optimization of operations. It involves documenting and evaluation unit and entity level controls through established policies and procedures to identify significant gaps and define actions for improvements. Additionally, there's a formal system for periodic monitoring and reporting of internal control and assessment.

In accordance with the Companies Act 2013, a thorough evaluation of internal controls over financial reporting was conducted during the year. Management assessed their design and effectiveness, concluding that the controls were operating effectively as on March 31st, 2025. Furthermore, as part of statutory audit, the statutory auditors confirmed that the company has an adequate internal financial control system over financial reporting, with all controls operating effectively as on March 31, 2025. Internal auditors keep a close check on these controls and regularly assess their effectiveness. The Audit Committee reviews the audit reports and investigates any issues found. Key findings are shared with the management team, who promptly take the necessary steps to resolve any issues.

Company outlook

India is set to maintain its position as the world's fastest growing major economy over next two years. India's economy is expected to grow between 6.3 to 6.8% in FY 2025-26.

Key sectors like infrastructure, manufacturing and renewable energy are seeing significant momentum with India targeting 500 GW of renewable energy capacity by 2030. With growing demand for electric vehicle adoption, railway electrification and energy independence are further enhancing to the positive outlook. With more impetus on "Make in India", "Aatmanirbhar Bharat", the PLI scheme and Digital India is boosting industrial growth and facilitating

foreign investments. What is accelerating India's push to sustain higher growth and become a global economic leader in years to come is basically due to friendly cum initiative taking policies, increased investors' confidence and a constant macro-economic environment.

Looking ahead, the Company's focus remains focused on enhancing its profitability, operating with consistency and making sensible investments. In the next few quarters, the Company aims to expand its operations in alignment with the growing pipeline of opportunities. The Company continues to invest in its future by strengthening its R&D capabilities and building a strong team of technical experts to support upcoming growth. The ongoing project at the Sangli facility is set to become one of the largest coil factories globally.

CAUTIONARY STATEMENT

This management discussion and analysis statement contains what could be regarded as forward-looking statements and information. These statements include forecasts and estimate as well as the assumptions on which they are based, statements related to objectives and expectations concerning future operations, products and services or future performance. The readers hereby caution and advised that these forward-looking statements are subject to numerous risks and uncertainties that are difficult to foresee, and actual outcomes might differ significantly.

Independent Auditors Report on the Standalone Financial Statements

To the Members of
Quality Power Electrical Equipments Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Quality Power Electrical Equipments Limited** (the 'Company'), which comprise the Statement of assets and liabilities as at 31st March 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the statement of cash flows and the Statement of Changes in equity for the year then ended and notes to the financial statements including a summary of material accounting policies and other explanatory information. (hereinafter referred to as "the financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the

Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Revenue recognition

The Company is in the business of manufacturing and supplying transformers and rectifiers. Revenue is recognized over time using the cost incurred method, as the performance obligations are satisfied continuously. This involves significant judgment in estimating total contract costs and measuring progress toward completion.

Given the complexity and judgment involved in determining the timing and amount of revenue, we considered this area to be a key audit matter. Our audit procedures included testing key controls, evaluating contract terms, assessing cost estimates, and verifying supporting documents for revenue recognized near the year-end.

Our audit procedures included the following:

- Evaluating the Company's revenue recognition policy for compliance with Ind AS 115;
- Testing the design and operating effectiveness of internal controls over revenue recognition;
- Reviewing a sample of contracts to assess whether performance obligations were correctly identified and classified as over time or point in time;
- Assessing the reasonableness of estimated total contract costs used in applying the cost-based input method;
- Verifying supporting documents such as invoices, delivery notes, and shipping terms to confirm timing of revenue recognition for point-in-time sales;
- Performing cut-off testing for revenue transactions recorded near the reporting date;
- Assessing management's evaluation that no significant financing component exists in revenue transactions.

Other Information

The Company's Management and Board of Directors are responsible for the other information.

The other information comprises the information included in the Annual report, but does not include the accompanying standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management's and Board of Directors' for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Financial Statements for the financial year ended 31st March 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the Order) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit we give in the "Annexure 1" a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Statement of assets and liabilities, the Statement of Profit and Loss including Statement of Other comprehensive income, the statement of Cash Flow and Statement of Changes in equity dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards

specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

- e. On the basis of written representations received from the directors as on 31st March 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025, from being appointed as a director in terms of section 164(2) of the Act.
- f. The modification arising from the maintenance of the Audit Trail on the accounting software, comprising the application and database are as stated in the paragraph (i) (vi) below on reporting under Rule 11 (g).
- g. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statement of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" of this report.
- h. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the managerial remuneration has been paid/ provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- i. With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company did not have pending litigations as on Standalone Financial Statement ending date other than disclosed in notes contingent liability.
 - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the investor education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources

or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in aggregate) have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- (v) The Board of Directors has recommended a dividend of ₹1 per equity share of the face value of ₹ 10/- each fully paid-up for the financials year ended 31st March, 2025, subject to the approval of the shareholders at the Annual

General Meeting of the Company, which is in accordance with Section 123 of the Act.

The Promoters and Promoters group have waived their right to receive the dividend for the financial year ended 31st March, 2025.

- (vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

While one of the Branch of the Company at Aluva, Kerala having limited operations is not using an accounting software with feature of recording audit trail (edit log) facility during the period under audit.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is applicable for the financial year ended March 31, 2025. The company has duly preserved such records in compliance with the said provisions.

For **KISHOR GUJAR & ASSOCIATES**

Chartered Accountants
Firm Registration No. - 116747W
Peer Review No.: 014220

CA Javedkhan Saudagar (Partner)

Place:- Pimpri, Pune:- 411 018 Membership No.:- 139006
Date: 27th May, 2025 UDIN: 25139006BMIEDN2826

Annexure 1 to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on other legal and regulatory requirements' of our report of even date to the members of QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED.

With reference to the Annexure 1 referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the period ended 31st March 2025, we report the following:

(i) Property, Plant & Equipment and Intangible Assets:

- (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The company has maintained proper records showing full particulars of intangible assets;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of the immovable properties as reported in financial statements are held in the name of the company.
- (d) According to the information and explanations to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year;
- (e) According to the information and explanations to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder;

(ii) Inventory

- (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. In our opinion, the coverage and procedure of such

verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.

- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) Loans, Investments, Guarantees, Securities and Advances in nature of Loan:

According to the information and explanations to us and on the basis of our examination of the records of the company, the company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(iv) Loans, Investments, Guarantees and Securities covered under section 185 and 186 of the Companies Act 2013:

The Company has not given any guarantees or security to any entity covered by the provisions of section 185 and section 186 of the Companies Act, 2013. Accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company in respect of section 185 and section 186 of the Companies Act, 2013, pertaining to these transactions. In respect of loans given and investments made to/in subsidiary, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.

(v) Acceptance of Deposits:

The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company and hence not commented upon.

(vi) Cost Records:

As required by section 148 (1) of companies Act, Company has maintained cost records relating to business activities carried out by the company as certified by Cost Auditor.

(vii) Payment of Statutory Dues:

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amount deducted /accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and any other statutory dues have been regularly deposited by the company with appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and any other statutory dues applicable to the Company, were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Duty of Customs, Value Added Tax or Cess or other statutory dues which have not been deposited on account of any dispute.

(viii) Unrecorded Income:

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) Repayment of Borrowings:

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been declared a wilful defaulter by any bank or financial institution or government or government authority;
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained;
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act).
- (f) According to the information and explanations given to us and procedure performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies,

(x) Use of money raised through issue of own shares:

- (a) In our opinion and according to the information and explanation given to us, monies raised during the year by the Company by way of initial public offer were applied for the purpose for which they were raised, as detailed below:

Amount in ₹ million			
Description	Total amount to be utilised net of actual IPO Expenses	Utilised as on March 31, 2025	Unutilized/(Excess utilized) Balance as on March 31, 2025
Payment of the purchase consideration for the acquisition of Mehru Electrical and Mechanical Engineers Private Limited	117.00	117.00	-
Capital Expenditure	27.22	-	27.22
Funding inorganic growth through unidentified acquisitions and other strategic initiatives and General Corporate Purposes	61.17	-	61.17
Issue Related Expenses	19.60	20.07	-0.47
Total	224.99	137.07	87.93

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period. Accordingly, the provisions of clause 3(x)(b) of the Order are not applicable to the Company and hence not commented upon.

(xi) Fraud:

- (a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by Management, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given by Management, no whistle-blower complaints received during the year by the company;

(xii) Nidhi Companies:

In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) Related Party Transactions:

In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the notes to the financial statements as required by the applicable Accounting Standards.

(xiv) Internal Audit:

- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) Non-Cash transactions with Directors:

In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) Registration Under section 45-IA of the Reserve Bank of India Act, 1934:

- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.
- (b) According to the information and explanations given by Management, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, clause 3(xvi)(b) of the Order is not applicable to the Company and hence not commented upon.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs

(xvii) Cash Losses:

The company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) Auditor's resignation:

There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3(xviii) of the Order are not applicable to the Company.

(xix) Financial Position:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge

of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **KISHOR GUJAR & ASSOCIATES**

Chartered Accountants
Firm Registration No. - 116747W
Peer Review No.: 014220

(xx) CSR Compliance:

In our opinion and according to the information and explanations given to us, The Company has fully

CA Javedkhan Saudagar (Partner)

Place:-Pimpri, Pune:- 411 018 (Membership No.:-139006)
Date: 27th May, 2025. UDIN: 25139006BMIEDN2826

Annexure 2 to the Independent Auditors' Report

Referred to in paragraph 2(f) under the heading 'Report on other legal and regulatory requirements' of our report of even date to the members of QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act 2013 ('the Act')

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial Control with reference to Standalone Financial Statements and such internal financial controls were operating effectively as on March 31, 2025, based on the internal controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and Board of Directors' are responsible for establishing and maintaining internal financial controls based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with

reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **KISHOR GUJAR & ASSOCIATES**

Chartered Accountants

Firm Registration No. - 116747W

Peer Review No.: 014220

CA Javedkhan Saudagar (Partner)

Place:-Pimpri, Pune:- 411 018

(Membership No.:-139006)

Date: 27th May, 2025.

UDIN: 25139006BMIEDN2826

Standalone Statement of Assets & Liabilities

as at March 31, 2025

(All amounts are in INR Millions unless otherwise stated)

Particulars	Notes	As at 31st March, 2025	As at 31st March, 2024
I. ASSETS			
(1) Non - current assets			
(a) Property, Plant and Equipment	4	348.52	205.82
(b) Right to use assets	5	3.42	5.13
(c) Capital Work In Progress	6	0.87	17.27
(d) Investment property	7	8.15	8.44
(e) Goodwill		-	-
(f) Other intangible assets	8	5.23	5.48
(g) Intangible assets under development		-	-
(h) Financial assets			
(i) Investments	9	1,270.88	70.88
(ii) Loans		-	-
(iii) Trade receivables		-	-
(iv) Other financial assets	10	120.15	340.86
(i) Deferred tax assets (net)	17	39.62	-
(j) Other non - current assets	11	9.72	120.00
(2) Current assets			
(a) Inventories	12	81.78	73.57
(b) Financial assets		-	-
(i) Investments		-	-
(ii) Loans		-	-
(iii) Trade receivables	13	406.79	163.59
(iv) Cash and cash equivalents	14	1,007.73	104.97
(v) Bank balances other than cash and cash equivalents	15	177.76	3.59
(vi) Other financial assets	16	81.08	156.55
(c) Current tax assets (net)	18	13.92	21.23
(d) Other current assets	19	43.63	93.81
(3) Asset Held for Sale	6a	4.39	-
Total Assets		3,623.64	1,391.18
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	20	774.44	721.50
(b) Other equity	21	2,556.17	219.41
Liabilities			
(2) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	-	-
(ii) Lease Liabilities	24	2.20	4.21
(iii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises			
b) Total outstanding dues of creditors others than micro enterprises and small enterprises			
(iv) Other Financial Liabilities	25	-	-
(b) Provisions	26	-	-
(c) Deferred Tax Liability (net)	17	-	1.01
(d) Other non-current liabilities	28	-	-
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	68.62	219.52
(ii) Lease Liabilities	24	2.02	1.85
(iii) Trade payables	23	-	-
a) Total outstanding dues of micro enterprises and small enterprises		13.41	15.28
b) Total outstanding dues of creditors others than micro enterprises and small enterprises		130.14	126.96
(iv) Other financial liabilities	25	1.73	2.17
(b) Provisions	26	12.68	16.20
(c) Current tax liabilities (net)	27	-	-
(d) Other current liabilities	28	62.23	63.07
Total Equity and Liabilities		3,623.64	1,391.18
Material accounting policy information and other explanatory information:	1,2,3		

The accompanying notes form an integral part of the Standalone financial statements. This is the standalone balance sheet referred to in our report of even date.

For **Kishor Gujar & Associates**
Chartered Accountants
Firm's Registration Number - 116747W
Peer Review No. :- 014220

For and on behalf of the Board of Directors
Quality Power Electrical Equipments Limited

CA Javedkhan Saudagar
(Partner)
Membership No. 139006
UDIN : 25139006BMIEDO3742

Thalavaidurai Pandyan
Chairman &
Managing Director
DIN: 00439782

Bharanidharan Pandyan
Joint Managing
Director
DIN: 01298247

Chitra Pandyan
Whole Time
Director
DIN: 02602659

Place: Pune.
Date: 27/05/2025

Deepak Suryavanshi
Company Secretary
Place : Sangli

Rajesh Jayaraman
Chief Financial Officer
Date : 27/05/2025

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

(All amounts are in INR Millions unless otherwise stated)

Particulars	Notes	For the year ended 31st March, 2025	For the year ended 31st March, 2024
I. Revenue from operations	29	1,524.27	1,296.08
II. Other income	30	33.02	40.72
III. Total Income (I+II)		1,557.29	1,336.80
IV. Expenses:			
Cost of materials consumed	31a	760.72	814.24
Purchase of Traded Goods	31b	23.21	-
Changes in inventories of finished goods, traded goods and work in progress	32	-0.00	-
Employee benefits expense	33	210.35	166.85
Finance costs	34	14.05	13.99
Depreciation and amortization expense	35	20.49	19.11
Other expenses	36	134.03	85.40
Total expenses		1,162.85	1,099.59
V. Profit/(loss) before exceptional items and tax		394.44	237.21
Exceptional items	37	-	0.10
Profit/(loss) before tax		394.44	237.11
VI. Tax expense :			
Current tax		91.00	61.89
Deferred tax		0.54	(0.22)
Income tax relating to earlier years		(0.21)	-
		91.33	61.66
VII. Profit for the year		303.11	175.44
VIII Other comprehensive income	38		
A Items that will not be reclassified to profit or loss		-	-
Remeasurement of the net defined benefit liability/asset		0.29	0.34
Income tax on items that will not be reclassified to profit or loss		(0.07)	(0.08)
B Items that will be reclassified to profit or loss		-	-
Income tax on items that will be reclassified to profit or loss		-	-
Total other comprehensive income, net of tax		0.21	0.25
IX. Total comprehensive income for the year		303.32	175.70
X. Earnings per equity share (Nominal value per share ₹/-)			
- Basic (₹)		4.17	2.43
- Diluted (₹)		4.17	2.43
Material accounting policy information and other explanatory information:	1,2,3		

The accompanying notes form an integral part of the Standalone financial statements. This is the standalone balance sheet referred to in our report of even date.

For **Kishor Gujar & Associates**
Chartered Accountants
Firm's Registration Number - 116747W
Peer Review No. :- 014220

For and on behalf of the Board of Directors
Quality Power Electrical Equipments Limited

CA Javedkhan Saudagar
(Partner)
Membership No. 139006
UDIN : 25139006BMIEDO3742

Thalavaidurai Pandyan
Chairman &
Managing Director
DIN: 00439782

Bharanidharan Pandyan
Joint Managing
Director
DIN: 01298247

Chitra Pandyan
Whole Time
Director
DIN: 02602659

Place: Pune.
Date: 27/05/2025

Deepak Suryavanshi
Company Secretary
Place : Sangli

Rajesh Jayaraman
Chief Financial Officer
Date : 27/05/2025

Standalone Statements of Cash Flows

for the year ended March 31, 2025

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Statement of Profit & Loss	394.44	237.10
Adjustment for :		
Depreciation and amortization Expenses	20.49	19.11
Provision for Gratuity	0.78	0.68
Finance Cost	14.05	13.99
Interest on Fixed Deposit	(26.01)	(26.72)
Profit & Loss on sale of PPE	-	
Operating profit before working capital changes	403.75	244.15
Changes in Operating Assets and Liabilities		
Adjustments for (Increase)/Decrease in operating Assets:		
(Increase)/Decrease in Trade Receivables	(243.20)	55.96
(Increase)/Decrease in Inventory	(8.21)	(20.81)
(Increase)/Decrease in Other Current & Non Current Assets	171.69	(36.51)
Increase/(Decrease) in Trade Payables	1.31	(11.83)
Increase/(Decrease) in Other Current Liabilities	(4.81)	36.49
Cash generated from operations	320.53	267.45
Less:- Income Taxes paid	(83.48)	(83.95)
Net cash flow from operating activities A	237.05	183.50
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of PPE including of CWIP	(28.94)	(110.30)
Sale of PPE	(0.00)	2.41
Advance paid for purchase of fixed Assets	(9.72)	(120.00)
Interest Income	26.01	26.72
Investment in Subsidiary	(1,200.00)	(51.00)
Net cash flow from investing activities B	(1,212.65)	(252.16)
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Share Capital	2,045.14	-
Net Proceeds/(Repayment) of Lease Liability	(2.40)	(2.40)
Net Proceeds/(Repayment) of Short Term Borrowings	(150.89)	168.27
Net Proceeds/(Repayment) of Long Term Borrowings	-	(0.00)
Interest and Finance Cost	(13.50)	(13.99)
Net cash flow from financing activities C	1,878.35	151.89
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	902.75	83.22
Cash equivalents at the beginning of the year	104.97	21.75
Exchange difference of foreign currency Cash and Cash equivalents		
Cash equivalents at the end of the year	1,007.73	104.97

Material accounting policy information and other explanatory information: Refer Note 1,2,3

The accompanying notes form an integral part of the Standalone financial statements This is the standalone balance sheet referred to in our report of even date.

Standalone Statements of Cash Flows

for the year ended March 31, 2025

Notes:-

- The Cash flow statements has been prepared under the "Indirect Method" as set out in IndAS 7 'Statement of Cash Flow'
- For the purpose of cash flow cash and cash equivalents comprise:-

Component of Cash and Cash equivalents	2024-2025	2023-2024
Cash on hand	0.13	0.18
Balance With banks	997.00	2.25
Other Bank Balance	10.59	102.54
Total	1,007.73	104.97

- Cash flow from operating activities for the period ended March, 31 2025 is after considering corporate social responsibility expenditure of ₹ 3.50 million, March 31, 2024: ₹ 4.53 million.

As per report of even date

For **Kishor Gujar & Associates**
Chartered Accountants
Firm's Registration Number - 116747W
Peer Review No. :- 014220

CA Javedkhan Saudagar
(Partner)
Membership No. 139006
UDIN : 25139006BMIEDO3742

Place: Pune.
Date: 27/05/2025

For and on behalf of the Board of Directors
Quality Power Electrical Equipments Limited

Thalavaidurai Pandyan
Chairman &
Managing Director
DIN: 00439782

Deepak Suryavanshi
Company Secretary
Place : Sangli

Bharanidharan Pandyan **Chitra Pandyan**
Joint Managing
Director
DIN: 01298247
Whole Time
Director
DIN: 02602659

Rajesh Jayaraman
Chief Financial Officer
Date : 27/05/2025

Standalone Statement of Changes in Equity

for the year ended March 31, 2025

(A) Equity Share capital

(All amounts are in INR Millions unless otherwise stated)

Particulars	Balance at the beginning of the year	Changes in Equity Share Capital due to prior period errors	Changes in equity share capital during the year	Balance at the end of the year
March 31, 2025				
Numbers	7,21,50,000	-	52,94,100	7,74,44,100
Amount in INR Millions	721.50	-	52.94	774.44
March 31, 2024				
Numbers	1,500	-	7,21,48,500	7,21,50,000
Amount in INR Millions	1.50	-	720.00	721.50

(B) Other Equity

(All amounts are in INR Millions unless otherwise stated)

Particulars	Reserves and Surplus				
	General Reserve	Securities Premium	Retained Earnings	Other Comprehensive Income	Total
Balance as on 01.04.2024	30.00	-	188.59	0.81	219.40
Security premium on issue of shares	-	2,197.05	-	-	2,197.05
Less : Share issue expenses*	-	(204.86)	-	-	(204.86)
Deferred Tax Provision	-	-	41.25	-	41.25
Profit for the period	-	-	303.11	-	303.11
Bonus Shares issued	-	-	-	-	-
Other Comprehensive Income	-	-	-	0.21	0.21
Total	30.00	1,992.20	532.95	1.02	2,556.17
As at March 31, 2025	30.00	1,992.20	532.95	1.02	2,556.17
Balance as on 01.04.2023	30.00	-	733.15	0.56	763.71
Profit for the period	-	-	175.44	-	175.44
Bonus Shares issued	-	-	(720.00)	-	(720.00)
Other Comprehensive Income	-	-	-	0.25	0.25
Total	30.00	-	188.60	0.81	219.41
As at March 31, 2024	30.00	-	188.60	0.81	219.41

* includes ROC expense for increase in share capital of ₹ 9.58 millions.

Material accounting policy information and other explanatory information: 2

The accompanying notes form an integral part of the Standalone financial statements This is the standalone balance sheet referred to in our report of even date.

Standalone Statement of Changes in Equity

for the year ended March 31, 2025

Nature and purpose of reserve:

General reserve General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained earnings Retained earnings is a free reserve. This is the accumulated profit earned by the Company till date, less transfer to general reserve, dividend and other distributions made to the shareholders.

Securities premium : Securities premium represents the premium received on the issue of shares. The reserve is to be utilised in accordance with the provisions of Companies Act, 2013.

As per report of even date

For **Kishor Gujar & Associates**
Chartered Accountants
Firm's Registration Number - 116747W
Peer Review No. :- 014220

CA Javedkhan Saudagar
(Partner)
Membership No. 139006
UDIN : 25139006BMIEDO3742

Place: Pune.
Date: 27/05/2025

For and on behalf of the Board of Directors
Quality Power Electrical Equipments Limited

Thalavaidurai Pandyan
Chairman &
Managing Director
DIN: 00439782

Deepak Suryavanshi
Company Secretary
Place : Sangli

Bharanidharan Pandyan
Joint Managing
Director
DIN: 01298247

Rajesh Jayaraman
Chief Financial Officer
Date : 27/05/2025

Chitra Pandyan
Whole Time
Director
DIN: 02602659

Notes to Standalone Ind AS Financial Statements

1. CORPORATE INFORMATION.

A. Corporate Information

Quality Power Electrical Equipments Limited ("QPEEL or the Company ") was incorporated on 20th September, 2001 under the provision of the Companies act, 1956 as a Private Limited Company. Thereafter the company was converted from private limited to public limited via fresh certificate of incorporation dated June 14, 2024 issued by Registrar of companies, Pune, Maharashtra. The companies register office is situated at Plot No. L - 61, M. I. D. C. Kupwad Block Sangli Maharashtra- 416436 India. The company is engaged in Manufacturing of Power Products and providing Services in the areas of Power Generation, Power Transmission, Power Distribution and Power Automation.

The Standalone Financial Statement includes the Financial Statement of the Quality Power Electrical Equipments Limited (CIN L31102PN2001PLC016455).

B. Statement of Compliance

The Standalone Financial Statements of the Company comprises of Standalone Statements of Assets and Liabilities as at 31st March, 2025, Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Cash flows, and Standalone Statement of Changes in Equity for the period ended 31st March, 2025 and the Material Accounting Policies and Other Explanatory Notes (collectively, the 'Standalone Financial Statements').

2. MATERIAL ACCOUNTING POLICIES

A. BASIS OF PREPARATION AND MEASUREMENT

The Financial Statement of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") (date of adoption 1st April, 2022) as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Act, as applicable to the financial statements and other relevant provisions of the Act.

The Standalone Financial Statements has been prepared on the historical cost basis except certain Financial assets and liabilities which are measured at fair value and Defined benefit plan.

The Company has prepared the Standalone Financial Statements on the basis that it will continue to operate as a going concern.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application

of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the year/period presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed in Note 3 below.

B. REVENUE RECOGNITION.

The Company earns revenue primarily from Manufacturing of Products and providing Services in the areas of Power Generation, Power Transmission, Power Distribution and Power Automation.

Revenue is measured at the amount of transaction price after taking into account the amount of discounts, incentives, volume rebates, outgoing taxes on sales.

The specific recognition criteria described below must also be met before revenue is recognised:

Contract Revenue:

The company earns revenue primarily from Manufacturing of Products and providing Services in the areas of Power Generation, Power Transmission, Power Distribution and Power Automation. Revenue from such contracts is recognized over time because of the continuous transfer of control to the customer. With control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. Cost based input method of progress is used because it best depicts the transfer of control to the customer that occurs as costs are incurred.

However, when control of the goods is transferred to the customer, generally on delivery of the goods and as per term of agreements/sales order i.e. Ex Works basis or FOR basis (Free On Road basis), in such cases Revenue from sale of goods is recognised at a point in time.

No significant element of financing is deemed present for the sales made with a credit term, which is consistent with market practice.

Warranty Obligation

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent

Notes to Standalone Ind AS Financial Statements

Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in section R 'Provisions and Contingencies'.

Duty Drawback and RoDTEP:

Duty drawback and RoDTEP income are recognised where there is reasonable assurance that the benefit will be received and all attached conditions will be complied with. The benefits on account of duty drawback and RoDTEP are accrued and accounted in the year of sales and are included in other operating revenue and the receivables are shown under the head "Other Current Assets- Others.

Other Income

Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

Interest income:

Interest income is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head other income in the statement of profit and loss.

Dividend income

Dividend income is recognised when the company's right as shareholder to receive the payment is established, when it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when company approve the dividend.

Rental Income

Lease income from operating leases where the Company is a lessor is recognized as income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

C. CONTRACT BALANCES.

CONTRACT ASSETS

A contract asset is initially recognised for revenue earned from project business because the receipt of consideration is conditional on successful completion of the work. Upon completion of the work and acceptance by the customer, the amount recognised

as contract assets is reclassified to trade receivables once the amounts are billed to the customer as per the terms of the contract. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in below section H Financial instruments -Impairment.

TRADE RECEIVABLES

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in below section H Financial instruments – initial recognition and subsequent measurement.

CONTRACT LIABILITIES

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

D. PROPERTY, PLANT AND EQUIPMENTS (PPE).

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost net off impairment, if any. Freehold land is stated at cost.

The cost of an item of property, plant and equipment comprises:

- its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.
- Capitalized borrowing costs
- Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and depreciated accordingly.

Notes to Standalone Ind AS Financial Statements

All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on written down value method basis using the useful lives as prescribed under Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a property, plant & equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life.

Assets	Useful Life
Building & Property	60/30 years
Furniture & Fixtures	10 years
Plant & Equipment	5-15 Years
Office Equipment	5 Years
Computer & Peripherals	3 Years
Vehicles	8-10 years

Depreciation on additions during the year is provided on pro rata basis with reference to month of addition/installation.

The residual values are not more than 5% of the original cost of the asset.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

E. INTANGIBLE ASSETS.

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. All directly attributable costs and other

administrative and other general overhead expenses that are specifically attributable to the acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development"

Intangible assets are amortised on written down value basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each financial year with the effect of any changes in the estimate being accounted for on a prospective basis.

F. INVESTMENT PROPERTY.

Recognition and Measurement

Land and Building held to earn rental or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business is recognised as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The building at Plot J-22, MIDC Kupwad, Sangli, which is rented to a subsidiary, is shown as Investment Property.

Derecognition

An Investment Property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss on disposal of an Investment Property is recognised in the Statement of Profit and loss.

G. IMPAIRMENT OF ASSETS (PPE, Intangible Assets, Investment Property)

The carrying amount of Intangible assets, investment property and property, plant and equipment as at the end of each financial year are reviewed to determine whether there is any indication that those assets have suffered an impairment loss if such indication exists, PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss if any.

Notes to Standalone Ind AS Financial Statements

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined as the higher of fair value less costs to sell and value in use.

H. INVENTORIES.

Raw Materials: Raw Materials are valued at lower of cost or net realizable value, based on First in First out method arrived after including Freight inward and other expenditure directly attribute to acquisition.

Work in Progress and Finished Goods: Work in Progress and Finished Goods are valued at lower of cost or net realizable value. Cost of manufactured finished goods comprises direct material, direct labour and appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

I. FINANCIAL INSTRUMENTS.

Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss. Transaction cost that are directly attributable to Equity instrument are deducted from equity. These are not charged to Profit or Loss. Share issue expenses that are directly attributable to the issuance of shares (equity instruments) are deducted from the securities premium.

FINANCIAL ASSETS

a. Initial recognition and measurement.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

b. Subsequent Measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial Assets at amortised cost.

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade receivables, loans and other financial assets.

Financial assets at fair value through other comprehensive income (FCTOCI)

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss.

Financial assets at fair value through profit or loss (FVTPL).

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

c. Investments in subsidiaries, joint ventures and associates.

Investment in subsidiaries, joint ventures and associates are carried at cost less impairment in the financial statements.

d. De-recognition.

The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired or it transfers the right to receive the contractual cash flow on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

Notes to Standalone Ind AS Financial Statements

FINANCIAL LIABILITIES

a. Initial recognition and measurement.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at fair value through profit or loss (FVTPL).

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities at amortised cost.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the statement of profit and loss.

c. Financial guarantee contracts.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amount of income recognised in accordance with the principles of Ind AS 115.

d. Derecognition.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial

liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

e. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

J. IMPAIRMENT.

The Company assessed the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on the Company's past history of recovery, credit worthiness of the counter party and existing and future market conditions.

For all financial assets other than trade receivables, expected credit losses are measured at an amount equal to the 12-month expected credit loss (ECL) unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. For trade receivables, the Company has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the receivables.

For contract assets, the Company has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the contract assets.

K. BORROWING COSTS.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

Notes to Standalone Ind AS Financial Statements

L. CASH AND CASH EQUIVALENTS.

Our cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks (three months or less from the date of acquisition). For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks (three months or less from the date of acquisition), net of outstanding bank overdrafts that are repayable on demand and are considered part of our Company's cash management system. In the statement of assets and liabilities, bank overdrafts are presented under borrowings within current liabilities.

Deposits with banks with original maturity more than 3 months but less than 12 months are shown in Bank balances other than cash and cash equivalents.

Margin money deposit is shown in Bank balances other than cash and cash equivalents.

M. CASH FLOW STATEMENTS.

Cash flows are reported using the indirect method as per Ind AS 7 Statement of cash flows, whereby net profit before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

N. EARNINGS PER SHARE (EPS).

a. Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued and sub-division of face value of equity shares.

b. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the profit attributable to owners of the company
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

O. LEASES.

In accordance with IND AS 116, the Company recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost which comprise the initial amount of lease liability adjusted for any lease payments made before the commencement date. The right of use asset is subsequently depreciated using the straight-line method of the balance lease term. In addition, the right of use asset is periodically reduced by impairment loss, if any and adjusted for certain re-measurement of lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the implicit rate in the lease or the incremental borrowing rate, if that rate cannot be readily available at the commencement date of the lease for the estimated term of the obligation.

Lease payments included in the measurement of the lease liability comprise the amounts expected to be payable over the period of lease. The lease liability is measured at amortised cost using effective interest rate method. It is re-measured when there is a change in future lease payments arising from change in the index or rate.

The Company has applied the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and low-value assets recognition exemption.

The Company Recognises ROU Asset and Lease Liability for the Machinery taken on rent by making suitable assumptions for arriving at lease Liability.

P. EMPLOYEE BENEFIT EXPENSES.

(i) Employment benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post Employment benefits

(a) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which a Company pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts.

Notes to Standalone Ind AS Financial Statements

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(b) Defined benefit plans

The Companies net obligation in respect of gratuity is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the reporting date.

Re-measurement of defined benefit plans in respect of post-employment are charged to Other Comprehensive Income.

Q. GOVERNMENT GRANTS AND SUBSIDIES

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant / subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate

below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

R. TAXES.

i. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii. Deferred tax (Net)

Deferred income tax is recognised using the balance sheet approach, deferred tax is recognised on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Notes to Standalone Ind AS Financial Statements

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. In view of the same deferred tax assets and deferred tax liabilities have been shown separately.

Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised outside profit or loss. In such cases, the tax effects are also recorded outside profit or loss, either in Other Comprehensive Income or directly in Equity, consistent with the underlying transaction or event.

Accordingly:

- Tax on items recognised in Other Comprehensive Income, such as remeasurement of defined benefit obligations or changes in fair value of equity instruments designated at fair value through OCI, is also recognised in Other Comprehensive Income.
- Tax on items recognised directly in equity, such as tax benefits related to share issue expenses or adjustments on initial recognition of financial instruments, is recognised directly in equity.

A deferred tax asset has been recognised on share issue expenses, as these are allowable as a deduction over a period of five years for tax purposes, while the corresponding expense is adjusted directly against equity for accounting purposes. The resulting deductible temporary difference has been recognised as a deferred tax asset.

S. PROVISIONS AND CONTINGENCIES

(i) Provisions.

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value

using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

(ii) Warranties

The estimated liability for product warranties is recorded when products are sold / project is completed. These estimates are established using historical information on the nature, frequency and average cost of warranty claims. Management estimates for possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claims arise being typically up to five years.

(iii) Contingent Liabilities.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

(iv) Contingent Assets.

Contingent assets are not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised accordingly.

T. OPERATING SEGMENT.

The company is exclusively engaged in the business of Manufacturing of Power Products and providing Services in the areas of Power Generation, Power Transmission, Power Distribution and Power Automation.

Based on the management approach, the allocation of resources and assessment of segment performance are focused on the types of goods or services delivered or provided. The Company is in the business of manufacture and sale of electric equipment's, which in the context of

Notes to Standalone Ind AS Financial Statements

Indian Accounting Standard 108 'Operating Segment' represents a single reportable business segment.

The revenues, total expenses and net profit as per the Statement of profit and loss represent the revenue, total expenses and the net profit of the sole reportable segment.

U. RELATED PARTY TRANSACTIONS.

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 - Related Party Disclosures, for the period ended March 31, 2025 and as reported in the Standalone Financial Statement, see "Standalone Financial Statement – Notes forming part of the Standalone Financial Statement".

V. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

As per Section 135 of the Companies act, 2013, a company, meeting the applicability threshold, need to spend at least 2% of its average net profit for the immediately preceding three financial years on CSR activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, health care, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. The funds were primarily allocated to a project and utilized through the year on these activities which are specified in schedule VII of the Companies Act, 2013.

As per section 135 of the Companies Act, 2013, a company has formed CSR committee. (Refer Note No 56 to the Standalone Financial Statement).

W. FOREIGN CURRENCY.

i) Functional currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to million).

ii) Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

iii) Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign

currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

X. CURRENT AND NON-CURRENT CLASSIFICATION.

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

Y. SUBSEQUENT EVENTS OCCURRED AFTER BALANCE SHEET DATE.

No subsequent events occurred after the balance sheet date.

Z. OTHERS.

Figures have been rearranged and regrouped wherever practicable and considered necessary.

AA. Non-Current Assets Held for Sale and Discontinued Operations

Classification as Held for Sale:

The Company classifies non-current assets or disposal groups as held for sale if their carrying amounts will be

Notes to Standalone Ind AS Financial Statements

recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition and its sale must be highly probable.

Management must be committed to the plan to sell the asset, and the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Measurement:

Non-current assets or disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Depreciation on such assets ceases from the date they are classified as held for sale.

Discontinued Operations:

A discontinued operation is a component of the Company that either has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

Presentation and Disclosure:

Assets and liabilities classified as held for sale are presented separately under the current section of the Balance Sheet. The results of discontinued operations are presented separately from continuing operations in the Statement of Profit and Loss, including the comparative period. Relevant disclosures are made in accordance with the requirements of Ind AS 105

BB. Recent Accounting Pronouncement:

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback - Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Further MCA has notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, with respect to lack of exchangeability and this will be applicable to the Group for reporting periods beginning on or after 1 April 2025.

3. SIGNIFICANT ACCOUNTING, JUDGEMENTS ESTIMATES AND ASSUMPTIONS.

In the application of the Company's accounting policies, which are described in Note 2, Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year:

(i) Cost to Complete.

Management estimates the costs to complete for each project for the purpose of revenue recognition and recognition of anticipated losses on projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget.

This process requires monitoring controls including financial and operational controls and identifying major risks facing the Company and developing and implementing initiatives to manage those risks. The Company's Management is confident that the costs to complete the project are fairly estimated.

(ii) Percentage of Completion.

Management's estimate of the percentage of completion on each project for the purpose of revenue recognition is through conducting some weight analysis to assess the actual quantity of the work for each activity performed during the reporting period and estimate any future costs for comparison against the initial project budget.

Notes to Standalone Ind AS Financial Statements

This process requires monitoring of financial and operational controls. Management is of the opinion that the percentage of completion of the projects is fairly estimated. As required by Ind AS 115, in applying the percentage of completion on its long-term projects, the Company is required to recognise any anticipated losses on its contracts.

(iii) Impairment of financial assets and contract assets.

The Company's Management reviews periodically items classified as receivables and contract assets to assess whether a provision for impairment should be recorded in the statement of profit and loss. Management estimates the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgement and uncertainty.

The Company reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(iv) Litigations.

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made, and the amount of the loss can be reasonably estimated.

Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each Balance Sheet date and revisions made for the changes in facts and circumstances. Provision for litigations and contingent liabilities are disclosed in Note 44 (B).

(v) Defined Benefit plans.

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each Balance Sheet date and disclosed in Note 36.

(vi) Useful lives of property, plant and equipment and intangible assets.

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

(vii) Warranty provisions

The Company gives warranties for its products, undertaking to repair or replace the product that fail to perform satisfactorily during the warranty period. Provision made at the year-end represents the amount of expected cost of meeting such obligations of rectification / replacement which is based on the historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives.

For and on behalf of the Board of Directors of
QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED

Thalavaidurai Pandyan
Chairman & Managing Director
DIN: 00439782

Deepak Suryawanshi
Company Secretary
PAN: CJKPS2065J

Bharanidharan Pandyan
Joint Managing Director
DIN: 01298247

Rajesh Jayaraman
Chief Financial Officer
PAN: ABHPR6320E

Chitra Pandyan
Whole Time Director
DIN: 02602659

Notes to Standalone Ind AS Financial Statements

4. PROPERTY PLANT AND EQUIPMENTS

(All amounts are in INR Millions unless otherwise stated)

Description	Land*	Building	Plant & Machinery	Vehicle	Computer	Other Assets	Total
GROSS CARRYING VALUE							
Balance as at 1 April 2023	36.00	53.02	25.98	9.17	1.99	25.24	151.40
Additions during the year	73.98	-	20.16	-	0.88	1.79	96.81
Disposals during the year	-	-	-	2.28	-	0.13	2.41
Adjustments	-	-	-	-	-	-	-
Balance as at 1 April 2024	109.98	53.02	46.14	6.88	2.87	26.90	245.79
Additions during the year	132.14	12.20	6.73	-	1.13	6.76	158.96
Disposals during the year	-	-	-0.00	-	-	-	-0.00
Adjustments	-	-	-	-	-	-	-
Balance as at 31 March, 2025	242.11	65.22	52.88	6.88	4.00	33.66	404.75
Accumulated Depreciation & Impairment Loss							
Balance as at 1 April 2023	-	7.67	7.01	4.54	0.82	7.28	27.31
Depreciation for the year	-	3.47	5.72	1.26	0.70	3.77	14.92
Impairments for the year	-	-	-	-	-	-	-
Disposals during the year	-	-	-	2.17	-	0.09	2.26
Balance as at 1 April 2024	-	11.14	12.73	3.63	1.52	10.95	39.98
Depreciation for the year	1.11	3.45	6.78	0.70	0.82	3.39	16.25
Impairments for the year	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-
Balance as at 31 March 2025	1.11	14.58	19.52	4.33	2.34	14.35	56.23
Net carrying amount As at 31st March, 2025	241.01	50.63	33.36	2.56	1.65	19.31	348.52
Net carrying amount As at 31st March, 2024	109.98	41.88	33.41	3.25	1.35	15.95	205.82

* Land includes Leasehold Land

NOTES:

- i) On 1st April 2021. i.e. the date of transition to IND AS, the Company has opted to continue with carrying value of all property Plant & Equipments measured as per the previous GAAP and use that carrying value as the deemed cost of Property Plant and equipments.
- ii) **Property, Plant and Equipment pledged as security against borrowing of the Company.**
Refer to Note 22 for Information on Property, Plant and Equipment pledge as security by the Company.
- iii) **No revaluation has been done during the year with respect to Property, Plant & Equipment**
- iv) **No asset acquired or transferred as part of business acquisition.**
- v) **Refer note no.2 for material accounting policy of Property, Plant & Equipment**
- vi). **Title Deed not held in the name of the Company**

Relevant Line Item in Balance Sheet	Description of item of Property	Gross Carrying value	Title Deed held in the name of	Whether Title Deed Holder is a promoter, director or relative of promoter*/director or employee of promoter/director	Property Held since which Date	Reasons for not being held in the name of the company
			NIL			

Notes to Standalone Ind AS Financial Statements

5. RIGHT OF USE ASSETS

(All amounts are in INR Millions unless otherwise stated)

Description	31st March 2025	31st March 2024
GROSS CARRYING VALUE		
Opening balance beginning of Year	11.97	11.97
Additions during the year	-	-
Disposals during the year	-	-
Closing Balance at end of the year	11.97	11.97
Accumulated Amortisation & Impairment Loss		
Opening balance beginning of Year	6.84	5.13
Amortisation for the year	1.71	1.71
Impairments for the year	-	-
Disposals during the year	-	-
Closing Balance at end of the year	8.55	6.84
Net carrying amount as at 31 March 2025	3.42	5.13
Net carrying amount as at 31 March 2024	5.13	6.84

NOTES:

- Company has not revalued Rights of use assets during the year.
- The company has entered into lease agreements for Machinery on lease. The lease arrangements are of 8 years on an average and are usually renewable by mutual consent on mutually agreeable terms.
- The Company does not Face a significant liquidity risk with regard to its lease liabilities, as the current assets are sufficient to meet the obligations related to lease liabilities as an when they fall due.
- The incremental borrowing rate applied to the lease liabilities for the lessee . The aggregate Depreciation expense on ROU asset is included under depreciation and amortisation in statement of Profit and loss.
- The Following are the amounts recognised in statement of profit and loss:

(All amounts are in INR Millions unless otherwise stated)

Particulars	31st March 2025	31st March 2024
1. Depreciation expenses of Rou (Note No. 35)	1.71	1.71
2. Interest Expenses on Lease Liabilities (Note No. 34)	0.55	0.71
3. Expenses relating to short term leases (leases term less than 12 Months) and low value assets (included in other expenses)	1.20	1.20
Total	3.46	3.62

6. CAPITAL WORK IN PROGRESS

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Capital Work-in-Progress	17.27	5.00
Add: Additions during the year	-	12.58
Less: Capitalised during the year	12.01	0.31
Less: Classified as held for sale	4.39	-
Closing Capital Work-in-Progress	0.87	17.27
Projects Work In Progress		
- less than 1 years	0.87	12.58
- 1 year to 2 years	-	4.69
- 2 year to 3 years	-	-
- More than 3 years	-	-
	0.87	17.27
	-	-

- The company annually modulates Project execution plans on the basis of various economic and regulatory developments and all the projects are executed as per the rolling annual plans and annual capex budget.
- There are no projects in progress whose completion is overdue or has exceeded its cost compared to its original plan.

Notes to Standalone Ind AS Financial Statements

6a. Asset Held for Sale

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Asset Held for Sale	4.39	-
	4.39	-

During the year company committed to plan to sell Plant & machinery, accordingly the asset has been classified from capital work in progress to asset held for sales.

7. INVESTMENT PROPERTIES

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Gross Block	10.92	10.92
Additions during the year	-	-
Disposals during the year	-	-
Closing balance	10.92	10.92
Accumulated Ammortisation & Impairment Loss		
Opening balance	2.49	2.20
Depreciation	0.28	0.28
Disposals during the year	-	-
Closing balance	2.77	2.49
Net Block	8.15	8.44

INVESTMENT PROPERTIES (Measured at Cost)

- As at 31st March 2025, The fair value of the company's Investment properties at the end of the year have been determined on the basis of valuation carried out by the management based on the transacted prices near the end of the year in the location and category of the properties being valued at ₹ 37.86 Millions.
- During the year , the company carried out a review of the recoverable amount of investment properties. As a result, there were no allowances for impairment required for these properties.
- The Company has earned a rental Income of ₹ 6.00 million for March, 2025, ₹ 6.00 million for March, 2024.

8. INTANGIBLE ASSETS.

(All amounts are in INR Millions unless otherwise stated)

Description	Softwares	Technical know how	Total
GROSS CARRYING VALUE			
Balance as at 1 April 2023	2.36	5.49	7.85
Additions during the year	1.22	-	1.22
Disposals during the year	-	-	-
Balance as at 1 April 2024	3.59	5.49	9.07
Additions during the year	1.10	0.90	2.00
Disposals during the year	-	-	-
Balance as at 31 March, 2025	4.69	6.39	11.08
Accumulated Depreciation & Impairment Loss			
Balance as at 1 April 2023	1.00	0.40	1.40
Depreciation for the year	0.19	2.00	2.19
Impairments for the year	-	-	-
Disposals during the year	-	-	-
Balance as at 1 April 2024	1.19	2.40	3.59
Depreciation for the year	0.78	1.48	2.25

Notes to Standalone Ind AS Financial Statements

(All amounts are in INR Millions unless otherwise stated)

Description	Softwares	Technical know how	Total
Impairments for the year	-	-	-
Disposals during the year	-	-	-
Balance as at 31 March 2025	1.97	3.88	5.84
Net carrying amount as at 31 March, 2025	2.72	2.51	5.23
Net carrying amount as at 31 March 2024	2.39	3.09	5.48

- i) The company does not have any intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.
- ii) No revaluation has been done during the year with respect to Intangible Asset.

9. NON CURRENT INVESTMENTS

(All amounts are in INR Millions unless otherwise stated)

Particulars	Face value	Number of Shares/units	As at 31st March, 2025	Number of Shares/units	As at 31st March, 2024
(1) Designated at fair value through profit or loss:					
(i) Quoted					
(a) In equity shares of Companies					
Fully paid up :				-	-
(b) In units of mutual fund				-	-
(2) Investment carried at cost					
(i) Unquoted				-	-
(a) In equity shares of Subsidiary Companies					
Fully paid up :					
Quality Power Engineering Projects Pvt. Ltd	10.00	1,27,500	52.28	1,27,500	52.28
S&S Transformers & Accessories Pvt. Ltd	100.00	2,00,000	18.60	2,00,000	18.60
*Mehru Electricals & Mechanical engineers Pvt Ltd	10.00	5,22,750	1,200.00	-	-
			1,270.88		70.88

* On 6th March 2025, Quality Power Electrical Equipments Limited has utilised IPO proceeds of ₹120 Crores (an advance of ₹3Cr was paid on 23/05/2024 and balance amount of ₹117/- Crs was paid on 06/03/2025) (Out of total IPO proceeds from fresh issue of ₹ 225 crores) for acquiring 51% of the equity shares of Mehru Electrical & Mechanical Engineers Private Limited. The acquisition meets as a business combination under Indian Accounting Standard (Ind AS) 103 - Business Combinations. In accordance with Ind AS 27 - Separate Financial Statements, the investment in Mehru Electrical & Mechanical Engineers Private Limited has been recognised at cost in these separate financial statements. Consequently, Mehru Electrical & Mechanical Engineers Private Limited has been classified as a subsidiary of the Company from the date of acquisition, i.e., 6th March 2025.

10. OTHER FINANCIAL ASSETS. (NON CURRENT)

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Unsecured considered good (unless otherwise stated)				
Security deposits	2.94		1.28	
Fixed deposits with banks with maturity period of more than 12 months	117.21	120.15	339.58	340.86
		120.15		340.86

Notes to Standalone Ind AS Financial Statements

11. OTHER NON CURRENT ASSETS

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Capital advances*	9.71		120.00	
Advance other than capital advance				
Income Tax refundable	-		-	
		9.71		120.00
		9.71		120.00

*Capital advances include advance given for Purchase of factory equipments & Machinery.

12. INVENTORIES

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Raw materials	81.78		73.57	
Raw materials in transit	-		-	
Stock-in-trade	-		-	
Stores, spares and packing materials	-		-	
Work-in-progress	-		-	
Finished goods	0.00	81.78	-	73.57
		81.78		73.57

- Inventories are valued at lower of cost or net realisable value.
- For detailed information refer Material accounting policies Note 2

13. TRADE RECEIVABLES

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Non-current				
Unsecured, considered doubtful				
Credit impaired				
Less: Allowance for credit impairment ¹				
Total				
Current				
Unsecured, considered Good	407.78		165.10	
Less: Allowance for credit impairment	0.98		1.51	
Total		406.79		163.59

- Amount of Trade Receivables as at the year end reflects net of provisions.
- For Security/Hypothecation, refer Note 22.

TRADE RECEIVABLES AGEING SCHEDULE

As at 31st March, 2025	Undisputed trade receivables – considered good	Undisputed trade receivable – credit impaired	Disputed trade receivables – considered good	Disputed trade receivable – credit impaired	Total
Undisputed, considered good	-	-	-	-	-
- not due	266.31	-	-	-	266.31
- less than 6 months	122.23	-	-	-	122.23
- 6 months to 1 year	12.03	-	-	-	12.03
- 1 year to 2 years	4.54	-	-	-	4.54
- 2 year to 3 years	0.78	-	-	-	0.78
- More than 3 years	1.88	-	-	-	1.88
Sub total	407.78	-	-	-	407.78
Less: Allowance for credit impairment					0.98
Total					406.79

Notes to Standalone Ind AS Financial Statements

As at 31st March, 2024	Undisputed trade receivables – considered good	Undisputed trade receivable – credit impaired	Disputed trade receivables – considered good	Disputed trade receivable – credit impaired	Total
Undisputed, considered good					
- not due	101.15	-	-	-	101.15
- less than 6 months	26.74	-	-	-	26.74
- 6 months to 1 year	27.10	-	-	-	27.10
- 1 year to 2 years	5.81	-	-	-	5.81
- 2 year to 3 years	1.88	-	-	-	1.88
- More than 3 years	2.42	-	-	-	2.42
Sub total	165.10	-	-	-	165.10
Less: Allowance for credit impairment					1.51
Total					163.59

14. CASH AND CASH EQUIVALENTS

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Balances with banks				
In current accounts	997.00		2.25	
Fixed deposits with original maturity of less than 3 months	10.59		102.54	
Cash on hand	0.13	1,007.73	0.18	104.97
		1,007.73		104.97

15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Fixed deposits with banks				
with original maturity for more than 3 months but less than 12 months	177.76		2.35	
Margin money deposit	-		1.24	
		177.76		3.59
		177.76		3.59

- Principal amount of Fixed Deposits with banks can be withdrawn or an equivalent amount can be availed against such deposits by the company at any point of time without prior notice or penalty.

16. OTHER FINANCIAL ASSETS (CURRENT)

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Contract Assets	81.08		156.54	
Interest Accrued But Not Due	-	81.08	0.01	156.55
		81.08		156.55

Notes to Standalone Ind AS Financial Statements

17. INCOME TAX

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Deferred Tax Asset relates to the following				
Expense deductible in the future years	41.25		-	-
Remeasurement of Post employment benefit obligations	-		0.11	
Provisions, allowances for doubtful receivables and others	0.25		-	
Lease Liability	0.20		0.23	
Others	-		-	
Total Deferred Tax Assets		41.70		0.35
Deferred Tax Liability relates to the following				
Non Current Assets(Depreciation&Amortization)	1.32		1.36	
Remeasurement of Post employment benefit obligations	0.76			
Others	-			1.36
Total Deferred Tax (Assets)/Liabilities		(39.62)		1.01

Movement in deferred tax liabilities/Assets

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Opening Balance as at April 1				
Tax Income / (Expense) during the period recognised in Profit or loss		0.54		(0.22)
Tax Income / (Expense) during the period recognised in OCI		(0.07)		(0.08)
Closing Balance as at March 31	-	0.61	-	(0.14)

The company offsets taxes and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and deferred tax asset and deferred tax liability relate to income tax levied by the same tax authority.

Major Components of Income Tax expense for the year ended March 31,2025, year ended March 31, 2024, are as follows:

i. Income Tax recognised in profit or loss

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Current Income Tax charge		91.00		61.89
Income tax relating to earlier years		(0.21)		-
Deferred Tax		0.54		(0.22)
Income Tax expense recognised in profit or loss	-	91.33	-	61.66

ii. Income Tax recognised in OCI

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Net loss/(gain) on remeasurements of defined benefit plan		(0.07)		(0.08)
Income Tax expense recognised in OCI	-	(0.07)		(0.08)

Notes to Standalone Ind AS Financial Statements

Reconciliation of Tax expense and accounting profit multiplied by Income Tax rate for March 31,2025; March 31,2024.

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Profit before Tax from continuing operation		394.44		237.11
Profit before Tax from discontinuing operation				-
Accounting Profit before Income Tax		394.44		237.11
Enacted Tax rate in India		25.17%		25.17%
Income Tax on Accounting Profit		99.28		59.68
Effect of Tax on				
Net Disallowed Depreciation		0.72		0.45
Non Deductible Expenses		2.48		1.47
Deductible Expenses		(12.10)		(0.18)
Deferred tax		0.54		0.24
Income tax relating to earlier years		(0.21)		-
Excess tax Provision		0.62		0.01
Tax expense recognised during the year		91.33		61.67
Tax at effective Income Tax rate		23.15%		26.01%

18. CURRENT TAX ASSETS (NET)

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Income Tax		13.92		
Net of Income tax		-	21.23	21.23
		13.92		21.23

19. OTHER CURRENT ASSETS

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Unsecured considered good (unless otherwise stated)				
Other Loans & Advances				
Advance to Suppliers & Others	3.73		9.39	
Loans and advances to employees	0.54		0.26	
Balance with Government Authorities	18.67		37.79	
Employee Benefit Plan	3.00		2.37	
*- Others	17.69		44.00	
		43.63		93.81
		43.63		93.81

*Others include Prepaid Expenses and Export Incentive Receivables

20. SHARE CAPITAL

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of shares	Amount	No. of shares	Amount
(a) Authorised				
Equity shares of par value ₹1000/- each at the beginning of the year	-	-	1,500	1.50
Increase/(decrease) during the year	-	-	9,99,98,500	998.50
Equity shares of par value ₹10/- each	10,00,00,000	1,000.00	-	-
	10,00,00,000	1,000.00	10,00,00,000	1,000.00
(b) Issued, subscribed and fully paid up				
Equity shares of par value ₹10/- each at the beginning of the year	7,21,50,000	721.50	-	-
Shares issued during the year	52,94,100	52.94	-	-
At the end of the year	7,74,44,100	774.44	-	-

Notes to Standalone Ind AS Financial Statements

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares of par value ₹1000/- each at the beginning of the year	-	-	1,500	1.50
Share split during the year	-	-	1,48,500	-
Bonus Issued during the period	-	-	7,20,00,000	720.00
At the end of the year	7,74,44,100	774.44	7,21,50,000	721.50

Terms/rights attached to equity shares

As on March 31, 2025, the Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The holders of Equity Shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes:-

- The company, at its IPO Committee meeting held on 20th February, 2025 approved allotment of 2,02,04,600 equity shares (a fresh issue of 52,94,100 equity shares and offer for sale of 1,49,10,500 equity shares) of ₹10 each pursuant to Initial Public Offer at a securities premium of ₹ 415 per equity share under fresh issue. The Equity Shares of the Company were listed on BSE Limited ("BSE") and National Stock Exchange of India limited ("NSE") on 24th february, 2025.
- The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2025 are NIL (previous period of five years ended March 31, 2024: 7,20,00,000)**
- Reconciliation of number of shares outstanding at the beginning and end of the year :**

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	7,21,50,000	721.50	1,500	1.50
Changes during the year	52,94,100	52.94	7,21,48,500	720.00
Outstanding at the end of the year	7,74,44,100	774.44	7,21,50,000	721.50

- Shareholders holding more than 5 % of the equity shares in the Company :**

Name of shareholder	As at 31st March, 2025		As at 31st March, 2024	
	No. of shares held	% of holding	No. of shares held	% of holding
Mr. Bharanidharan	2,86,19,480	36.96%	2,86,19,480	39.67%
Mr. P. T. Pandyan	98,60,480	12.73%	2,86,19,480	39.67%
Mrs. Chitra Pandyan*	500	0.00%	1,49,11,040	20.67%
Bharanidharan Pandyan (Promoter Trust)	1,87,59,000	24.22%	-	-
Total	5,72,39,460	73.91%	7,21,50,000	100%

*ceased to hold more than 5% of the shareholding as at 31st March, 2025

Notes to Standalone Ind AS Financial Statements

(e) Shares held by the promoters at the end of the year

Name of Promoters	As at 31st March, 2025			As at 31st March, 2024		
	No. of shares held	No. of shares held	% of holding	No. of shares held	No. of shares held	% of holding
Mr. Bharanidharan	2,86,19,480	36.96%	0.00%	2,86,19,480	39.67%	0.00%
Mr. P. T. Pandyan	98,60,480	12.73%	-65.55%	2,86,19,480	39.67%	0.00%
Mrs. Chitra Pandyan	500	0.00%	-100.00%	1,49,11,040	20.67%	0.00%
Bharanidharan Pandyan (Promoter Trust)	1,87,59,000	24.22%	100.00%	-	-	-
Total	5,72,39,460	73.91%		7,21,50,000	100.00%	

21. OTHER EQUITY

i. Reserves and Surplus

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) General Reserve	30.00	30.00
(b) Securities Premium Reserve	1,992.20	-
(c) Retained Earnings	532.95	188.60
(d) Other Comprehensive Income	1.02	0.81
	2,556.17	219.41

(a). General Reserve

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Balance	30.00	30.00
Add/(Less) : Transfer from retained earnings	-	-
Closing Balance	30.00	30.00

(b) Securities Premium Reserve

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Balance	-	-
Add: Securities Premium on issue of shares	2,197.05	-
Less : Share issue expenses*	(204.86)	-
Closing Balance	1,992.20	-

* includes ROC expense for increase in share capital of ₹ 9.58 millions.

- During the year, share issue expenses aggregating ₹ 204.86 millions, incurred in connection with the issue of equity shares, were adjusted against the Securities Premium Reserve in accordance with the provisions of Section 52(2) of the Companies Act, 2013 & Ind AS 32.
- As per paragraph 37 of Ind AS 32, transaction costs that are directly attributable to the issue of an equity instrument are accounted for as deduction from equity.

Notes to Standalone Ind AS Financial Statements

(c) Retained Earnings

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Balance	188.59	733.15
Add : Surplus as per Statement of Profit and Loss	303.11	175.44
Adjustment for Deferred Tax	41.25	-
Amount available for appropriation	532.95	908.60
Less : Appropriations:		
Bonus Issue	-	720.00
Closing Balance	532.95	188.60

(d). Other Comprehensive Income

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Balance	0.81	0.56
Gain/Loss on sale of equity Instrument through OCI	-	-
Change in fair value of equity Instrument through OCI	-	-
Deferred Tax on revaluation of financial Instrumnet.	-	-
Remeasurement of defined employee benefit	0.21	0.25
Transfer to retained earnings on disposal of Financial Instrument	-	-
Closing Balance	1.02	0.81

Nature and purpose of reserve:

General reserve General Reserve is created by the company by appropriating the balance of Retained Earnings. General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained earnings Retained earnings is a free reserve. This is the accumulated profit earned by the Company till date, less transfer to general reserve, dividend and other distributions made to the shareholders.

Securities premium : Securities premium represents the premium received on the issue of shares. The reserve is to be utilised in accordance with the provisions of Companies Act, 2013.

22. BORROWINGS

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Non Current Borrowings				
Secured				
Term Loans from Banks	-	-	-	-
Less : Current Maturities of Non Current Borrowings	-	-	-	-
	-	-	-	-
	-	-	-	-
Current Borrowings				
Current Maturities of Non Current Borrowings	-	-	-	-
Secured				
(a) Loans repayable on Demand				
From Banks	-	-	-	-
Cash Credit	51.72		151.62	
Export Packing Credit	16.91	68.62	67.89	219.52
		68.62		219.52

The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. The quarterly returns filed by the Company with such banks or financial institutions are in agreement with the Books of Account of the Company of the respective quarters.

Notes to Standalone Ind AS Financial Statements

A : SECURED LOANS FROM BANKS AND FINANCIAL INSTITUTIONS

Sr. No	Particulars	Current Borrowings		Sanctioned Amount	Interest rate (%)	Security	Repayment Terms (ROI/Commision)
		As at 31st March, 2025	As at 31st March, 2024				
1	Axis Bank -CC	51.72	151.62	150.00	8.50%	Hypothecation of i) Entire Current Assets ii) Movable Property, Plant and Machinery	Payable on Demand
2	Axis Bank -Export Packing Credit	16.91	67.89	100.00	8.50%	Hypothecation of i) Entire Current Assets ii) Movable Property, Plant and Machinery	Payable on Demand
Total		68.62	219.52				

Collateral Security for all Facilities of Axis Bank

Industrial Property Plot No. N-17/3, Sangli Miraj Industrial Area, Tal. Miraj, Distr. Sangli, MIDC Kupwad, MIDC Sangli, Maharashtra
Industrial Property Plot No. N-17/5, Sangli Miraj Industrial Area, Tal. Miraj, Distr. Sangli, MIDC Kupwad, MIDC Sangli, Maharashtra
Industrial Property Plot No. N-17/2, Sangli Miraj Industrial Area, Tal. Miraj, Distr. Sangli, MIDC Kupwad, MIDC Sangli, Maharashtra

Personal Guarantee of Directors

Bharanidharan Pandyan
Chitra Pandyan
Thalavaidurai Pandyan

*Details of Personal Guarantees

Personal Guarantees - Directors and KMP	Thalavaidurai Pandyan
	Bharanidharan Pandyan S/o Thalavaidurai Pandyan
	Chitra Pandyan W/o Bharanidharan Pandyan
Personal Guarantees - Relative of Directors and KMP	NA
Personal Guarantees - Others	NA

23. TRADE PAYABLES

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Trade payables to micro and small enterprises ('MSE')	13.41		15.28	
Trade payables to related parties	6.97		8.58	
Trade payables to others	123.17	143.56	118.38	142.24
		143.56		142.24

Notes to Standalone Ind AS Financial Statements

a) Ageing schedule for trade payables -As at March 31, 2025

(All amounts are in INR Millions unless otherwise stated)

Particulars	Not due	Outstanding from due date of payment				TOTAL
		< 1 year	1-2 years	2-3 years	> 3 years	
Undisputed dues of MSE	4.16	9.22	-	-	-	13.38
Undisputed dues of creditors other than MSE	94.01	34.52	0.32	0.07	0.01	128.93
Disputed dues of MSE	-	0.04	-	-	-	0.04
Disputed dues of creditors other than MSE	-	-	-	-	1.21	1.21
Total	98.17	43.78	0.32	0.07	1.22	143.56

Ageing schedule for trade payables -As at March 31, 2024

(All amounts are in INR Millions unless otherwise stated)

Particulars	Not due	Outstanding from due date of payment				TOTAL
		< 1 year	1-2 years	2-3 years	> 3 years	
Undisputed dues of MSE	15.05	0.23	0.00	-	-	15.28
Undisputed dues of creditors other than MSE	117.75	5.52	0.11	2.40	1.19	126.96
Disputed dues of MSE	-	-	-	-	-	-
Disputed dues of creditors other than MSE	-	-	-	-	-	-
Total	132.79	5.75	0.11	2.40	1.19	142.24

24. LEASE LIABILITIES

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Non Current				
Lease Rental-Non Current	2.20		4.21	
		2.20		4.21
		2.20		4.21
Current				
Lease Rental-Current	2.02		1.85	
		2.02		1.85
		2.02		1.85

- The maturity analysis of lease liabilities are disclosed in Notes 51
- The effective Interest rate for lease liabilities is taken as per the Incremental Borrowing rate of the lessee.
- Rental expense recorded for short-term leases was ₹ 2.40 Millions for March 31, 2025 ; ₹ 2.40 Millions for the year ended March 31, 2024
- The company does not face a significantly liquidity risk with regard to its risk liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

25. OTHER FINANCIAL LIABILITIES

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Non Current				
Provision for employee benefits	-	-		
Current				
**Other Financial Liabilities	1.73		2.17	
		1.73		2.17
		1.73		2.17

** Other Financial Liability includes amount payable to Directors.

Notes to Standalone Ind AS Financial Statements

26. PROVISIONS

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Non Current				
Provision for employee benefits	-		-	
Gratuity	-		-	
Leave Encashment	-		-	
Current				
Other Provisions	0.48		-	
Provision for Employee Benefit	12.20		16.20	
Gratuity	-		-	
Provision for Free Warranty Replacement				
		12.68		16.20
		12.68		16.20

27. CURRENT TAX LIABILITIES (NET)

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Income Tax			-	
Provision for Income Tax	-	-	-	-
		-		-

28. OTHER CURRENT LIABILITIES

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Advance Received	22.15		41.96	
# Other Current Liability	31.37		4.69	
Statutory Remittance (TDS,GST,PF, PT, ESIC, etc.)	8.71		16.42	
Interest accrued on MSME	-		-	
		62.23		63.07
		62.23		63.07

Other Current Liabilities Includes amount payable to director (Offer For Sale) of ₹ 29.89 millions (During the Initial Public Offering (IPO) under the Offer for Sale, the proceeds from the sale of shares were received by the company on behalf of Mrs. Chitra Pandya.)

29. REVENUE FROM OPERATIONS

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Revenue from contracts with customers (A)	1,490.11	1,274.81
i) India		
Sale of finished products	823.59	491.55
Sale of Traded goods	-	-
ii) Outside India		
Sale of finished products- export	634.55	783.25
Sale of Traded goods	31.98	
Other operating revenue (B)	34.16	21.27
Scrap Sale	1.60	0.83
Export Incentives	20.02	12.59
# Others-	12.54	7.85
*Total Revenue from operations (A+B)	1,524.27	1,296.08

*Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations.

#Others include Packaging, Freight, Gain on foreign exchange fluctuation, Testing, Inspection, Service & Repairs etc. For disclosure relating to Revenue Recognition, Trade Receivable & Contract Asset balance refer note no.41.

Notes to Standalone Ind AS Financial Statements

30. OTHER INCOME

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Interest income from:		
Deposits with banks	23.56	26.55
Others Interest	2.45	0.17
Other Non- Operating Income		
Rental Income	6.83	6.37
Sundry Balance W/off	-	2.30
Other Income	0.18	5.32
	33.02	40.72

31A. COST OF MATERIAL CONSUMED

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Opening Stock	73.57	52.75
Purchases	768.93	835.05
Closing Stock	81.78	73.57
Cost of material consumed	760.72	814.24

31B. PURCHASE OF TRADED GOODS

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Purchases Traded	23.21	-
	23.21	-

32. CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
(Increase)/ Decrease in Stocks	-	-
Stock at the end of the Year:	-	-
WIP	-	-
Finished Goods	0.00	-
TOTAL(A)	0.00	-
Less: Stock at the Beginning of the year	-	-
WIP	-	-
Finished Goods	-	-
TOTAL(B)	-	-
TOTAL (B-A)	-0.00	-

33. EMPLOYEE BENEFIT EXPENSE

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Directors Remuneration & other benefits	54.90	46.35
Salaries,wages, bonus, etc.	145.90	114.68
Contribution to provident and other funds	3.64	3.18
Staff & Labour welfare expenses	5.91	2.64
	210.35	166.85

Notes to Standalone Ind AS Financial Statements

34. FINANCE COST

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
1. Interest on Term Loans:	-	0.00
2. Interest on Working Capital Loans	9.76	6.24
3. Other Interest & Bank Charges		
Interest others	0.10	2.53
Bank commission & Charges	2.01	2.38
Bank Guarantee Charges	1.62	1.57
Option Booking Premium	-	0.56
Interest on Lease	0.55	0.71
	14.05	13.99

35. DEPRECIATION AND AMORTISATION EXPENSE

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Depreciation of property, plant and equipment	16.25	14.92
Depreciation of Investment Property	0.28	0.28
Amortisation of intangible assets	2.25	2.19
Amortisation of ROU assets	1.71	1.71
	20.49	19.11

36. OTHER EXPENSES

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Power and fuel	5.70	5.21
Repairs and maintenance		
- Plant and machinery	2.11	0.69
- Building	1.70	7.10
- Others Repairs and Maintenance	4.93	0.96
Rent	1.36	1.44
Rates and taxes	0.34	2.95
Factory and other manufacturing expenses	3.85	8.99
Insurance	2.50	2.96
Advertisement and sales promotion	27.97	6.54
Freight Inward	4.27	2.96
Freight outward and packing expenses	12.07	9.76
Travelling, conveyance and vehicle expenses	17.86	9.33
Legal and professional charges	19.38	6.27
Office Expenses	2.77	2.91
Sales Commission	11.37	3.20
Corporate social responsibility expenses	3.50	4.53
Allowance/ (reversal) for doubtful debts and advances, net	2.35	0.15
Security expenses	3.98	3.55
Miscellaneous expenses (Refer note below)	1.59	1.72
Royalty	1.20	1.20
Expected Credit Loss	(0.53)	1.51
Software Expenses	1.25	-
Payment to Auditors		
As auditor:		
Statutory Audit Fee	2.50	1.50
	134.03	85.40

Notes to Standalone Ind AS Financial Statements

Note No : 37

Exceptional items

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Profit on sale of property, plant and equipment (net)	-	0.10
	-	0.10

Note No : 38

Other comprehensive income

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Items that will not be reclassified to profit or loss		
Re- measurement of defined benefit plans	0.29	0.34
Less: Income tax relating to items that will not be reclassified to profit or loss	(0.07)	(0.08)
	0.21	0.25

39. EARNINGS PER SHARE

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
(a) Basic Earnings per Share		
Basic earning per share attributable to the equity shareholders of the company (In ₹)	4.17	2.43
Total Basic earning per share attributable to the equity shareholders of the company	4.17	2.43
(b) Diluted earning per share		
Diluted earning per share attributable to the equity shareholders of the company (In ₹)	4.17	2.43
Total Diluted earning per share attributable to the equity shareholders of the company	4.17	2.43
(c) Par value per share (In ₹)	10.00	10.00
(d) Reconciliation of earnings used in calculating earnings per share		
Basic earning per share		
Profit attributable to equity share holders of the company used in calculating basic earning per share	303.11	175.44
	303.11	175.44
Diluted earning per share		
Profit attributable to equity share holders of the company used in calculating basic earning per share	303.11	175.44
Profit attributable to equity share holders of the company used in calculating Diluted earning per share	303.11	175.44
(e) Weighted average number of shares used as the denominator		
Weighted average number of shares used as the denominator in calculating basic earning per share	7,27,30,176	7,21,50,000
Adjustment for calculation of diluted earning per share	-	-
Weighted average number of shares used as the denominator in calculating diluted earning per share	7,27,30,176	7,21,50,000

The Company has offered through the Initial Public Offer (IPO) with a fresh issue of 52,94,100 equity shares and offer for sale of 1,49,10,500 equity shares having face value of ₹10/-each at an issue price of ₹425/- per equity share. These equity shares were allotted/allocated on 20th February, 2025 and listed on The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 24th February, 2025.

Notes to Standalone Ind AS Financial Statements

40. EMPLOYEE BENEFIT OBLIGATION

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025			March 31, 2024		
	Current	Non Current	Total	Current	Non Current	Total
Gratuity	-	7.78	7.78	-	6.70	6.70
Total Employee Benefit Obligation	-	-	7.78	-	6.70	6.70

(i) Leave Obligations

The leave obligations cover the company's liability for sick and earned leaves.

(ii) Post Employment Obligations

a) Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a funded plan and the company makes contribution to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amount recognised in the Balance Sheet and the movement in the net defined benefit obligation over the period are as follows

(All amounts are in INR Millions unless otherwise stated)

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
As at April 1, 2023	5.82	8.15	(2.33)
Current Service Cost	0.87	-	0.87
Interest expense/(Income)	0.43	(0.62)	1.04
Total Amount recognised in Profit or loss	7.12	8.76	(1.65)
Remeasurements			
(Gains)/Loss from change in financial assumptions	-	-	-
Experience (gains)/losses	(0.35)	(0.01)	(0.34)
Total Amount recognised in Other Comprehensive Income	(0.35)	(0.01)	(0.34)
Contribution by Employer	-	0.40	(0.40)
Benefit Paid	(0.07)	(0.07)	-
Mortality charges and taxes	-	(0.02)	0.02
As at March 31, 2024	6.70	9.07	(2.37)
Current Service Cost	0.99	-	0.99
Interest expense/(Income)	0.48	-0.69	(0.21)
Total Amount recognised in Profit or loss	1.47	(0.69)	0.78
Remeasurements			
(Gains)/Loss from change in financial assumptions	-	-	-
Experience (gains)/losses	(0.31)	0.02	(0.29)
Total Amount recognised in Other Comprehensive Income	(0.31)	0.02	(0.29)
Contribution by Employer	-	1.13	(1.13)
Benefit Paid	(0.09)	(0.09)	-
Mortality charges and taxes	-	-	-
As at March 31, 2025	7.78	10.79	(3.00)

Notes to Standalone Ind AS Financial Statements

The net liability disclosed above relates to funded and unfunded plans are as follows:

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Present value of Funded obligation	7.78	6.70
Fair Value of Plan Assets	10.79	9.07
(Surplus)/Deficit of Funded Plan	(3.00)	(2.37)
Unfunded Plans	-	-
(Surplus)/Deficit of Funded Plan	(3.00)	(2.37)

The Significant Actuarial Assumptions were as follows:

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Mortality	IALM(2012-14) ult	IALM(2012-14) ult
Discount rate	6.70%	7.30%
Expected return on Plan Assets	7.20%	7.40%
Salary growth rate	5%	5%
Expected Average Reamaining Service	8.05%	7.74
Retirement Age	58	58
Employee Attrition rate	10%	10%

Sensitivity Analysis

(All amounts are in INR Millions unless otherwise stated)

Particulars	DR : DISCOUNT RATE		ER : SALARY ESCALATION RATE		WR: Withdrawal Rate	
	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%	PVO WR + 1%	PVO WR - 1%
PVOC						
March 31, 2024	6.34	7.11	7.05	6.39	-	-
March 31, 2025	7.34	8.28	8.21	7.39	7.83	7.73

41. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 115, REVENUE FROM CONTRACTS WITH CUSTOMERS.

1. Disaggregation of Revenue

The company believes that the information provided under note no 29. Revenue from operationis sufficient to meet the disclosure objectives with respect to disaggregation of revenue under Ind AS 115 , Revenue from Contracts with Customers.

2. Reconciliation of the amount for the revenue recognised in the statement of Profit or Loss with the contracted price.

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Revenue as per contracted price	1,524.27	1,296.08
Adjustments	-	-
Revenue from contracts with customers	1,524.27	1,296.08

3. Contract Balances

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Contract Assets	81.08	156.54
Contract Liabilities - Advance from Customers	(22.15)	(41.96)
	58.93	114.58

Notes to Standalone Ind AS Financial Statements

4. Movement of Contract Assets

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
Opening Balance	156.54	48.08
Addition for the year	78.87	156.54
Less : Recognised During the year	154.33	(48.08)
Closing Balance	81.08	156.54

42. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS-24- Related Party Disclosures

Name of Related Party	Nature of Relationship
Quality Power Engineering Projects Private Limited	Wholly owned Subsidiary
S & S Transformers and Accessories Private Limited	Wholly owned Subsidiary
Mehru Electrical & Mechanical Engineers Pvt. Ltd. (w.e.f. 6th March 2025)	Subsidiary
Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Step Down Subsidiary
Mr. Thalavaidurai Pandyan (Chairman Managing Director)	Key Management Personnel & their relatives/HUF (also exercising significant influence over the company)
Mr. Bharanidharan Pandyan (Joint Managing Director)	
Mrs. Chitra Pandyan (Executive Whole Time Director)	
Mrs. Nivetha Pandyan (Relative of Director)	
Mr. Mahesh Vitthal Saralaya (Whole Time Director)	
Mr. Rajendra Iyer (Independent Director)	
Mr. Shailesh Kumar Mishra (Independent Director)	
Mr. Sadayandi Ramesh (Independent Director)	
Mrs. Pournima Kulkarni (Independent Director)	
Mr. Rajesh Jayaraman (Chief Financial Officer)	
Mr. Deepak Suryavanshi (Company Secretary)	
Mr. Tushar Deshpande (Company Secretary w.e.f. 15/02/2024 till 02/05/2024)	

(ii) Transactions with Related Parties

The following transactions occurred with related parties

Name	Nature of Relationship	Nature of Transactions	Year ended March 31, 2025	Year ended March 31, 2024
Mr. Thalavaidurai Pandyan	Key Management Personnel	Salary and Benefits	20.70	20.70
Mr. Bharanidharan Pandyan	Key Management Personnel	Salary and Benefits	20.70	20.70
Mrs. Chitra Pandyan	Key Management Personnel	Salary and Benefits	4.95	4.95
Mrs. Nivetha Pandyan	Relative of KMP	Salary and Benefits	8.64	8.64
Mr. Mahesh Saralaya	Key Management Personnel	Salary and Benefits	1.15	1.06
Mr. Rajesh Jayaraman	Key Management Personnel	Salary and Benefits	2.20	0.34
Mr. Tushar Deshpande	Key Management Personnel	Salary and Benefits	0.09	0.07
Mr. Deepak Suryavanshi	Key Management Personnel	Salary and Benefits	0.68	-
Mr. Rajendra Sheshadri Iyer	Independent Director	Professional Fees/ Commission	4.40	-

Notes to Standalone Ind AS Financial Statements

Name	Nature of Relationship	Nature of Transactions	Year ended March 31, 2025	Year ended March 31, 2024
Mr.Shailesh Kumar Mishra	Independent Director	Professional Fees/ Commission	2.40	-
Mr.Rajendra Sheshadri Iyer	Independent Director	Sitting Fees	0.63	-
Mr.Shailesh Kumar Mishra	Independent Director	Sitting Fees	0.58	-
Mr.Pournima Suresh Kulkarni	Independent Director	Sitting Fees	0.50	-
Mr.Sadayandi Ramesh	Independent Director	Sitting Fees	0.05	-
Mr. Thalavaidurai Pandyan	Key Management Personnel	Interest on Unsecured Loans	-	0.22
Mr.Bharanidharan Pandyan	Key Management Personnel	Interest on Unsecured Loans	-	0.87
Mrs. Chitra Pandyan	Key Management Personnel	Interest on Unsecured Loans	-	1.18
Mrs. Nivetha Bharanidharan	Relative of KMP	Interest on Unsecured Loans	-	0.26
Mrs. Chitra Pandyan	Key Management Personnel	Guest House Rent	0.00	0.12
Mr.Bharanidharan Pandyan	Key Management Personnel	Rent for Delhi Office	1.20	1.20
Quality Power Engineering Projects Pvt Ltd	Wholly owned Subsidiary	Rental Income	6.00	6.00
Quality Power Engineering Projects Pvt Ltd	Wholly owned Subsidiary	Rent on Machinery	2.40	2.40
Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Step Down Subsidiary	Sales	54.20	35.54
Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Step Down Subsidiary	Purchase	-	1.91
Quality Power Engineering Projects Pvt Ltd	Wholly owned Subsidiary	Purchases (Manpower Service Charges)	7.20	7.20
Quality Power Engineering Projects Pvt Ltd	Wholly owned Subsidiary	Purchases	123.97	115.00
Quality Power Engineering Projects Pvt Ltd	Wholly owned Subsidiary	Sales	0.39	4.64
Quality Power Engineering Projects Pvt Ltd	Wholly owned Subsidiary	Machinery Rent Income	0.60	0.15
S & S Transformers and Accessories Pvt. Ltd	Wholly owned Subsidiary	Royalty	1.20	1.20

Notes to Standalone Ind AS Financial Statements

(iii) Outstanding balances payable to:

Name	Nature of Relationship	Nature of Transactions	Year ended March 31, 2025	Year ended March 31, 2024
QUALITY POWER ENGINEERING PROJECTS PVT LTD	Wholly owned Subsidiary	Trade Payable	4.58	3.72
Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Step Down Subsidiary	Trade Receivables	43.17	9.24
Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Step Down Subsidiary	Trade Payable	-	1.89
Mr.Bharanidharan Pandyan	Key Management Personnel	Rent Payable	0.11	0.11
QUALITY POWER ENGINEERING PROJECTS PVT LTD	Wholly owned Subsidiary	Rent Receivable	-	1.02
S & S Transformers and Accessories Pvt. Ltd	Wholly owned Subsidiary	Trade Payable	2.55	2.87
Mr. Thalavaidurai Pandyan	Key Management Personnel	Loan	0.00	0.19
Mr.Bharanidharan Pandyan	Key Management Personnel	Loan	0.00	0.79
Mrs. Chitra Pandyan	Key Management Personnel	Loan	0.00	0.95
Mrs. Nivetha Bharanidharan	Relative of KMP	Loan	0.00	0.23
Mrs. Chitra Pandyan**	Key Management Personnel	Payable	29.89	0.00
Mr.Rajendra Sheshadri Iyer	Independent Director	Commission Payable	1.19	0.00
Mr.Shailesh Kumar Mishra	Independent Director	Commission Payable	0.54	0.00

*Out of the total agreed consideration of ₹1200 millions for acquiring 51% shareholding in Mehru Electricals & Mechanical Engineers Pvt. Ltd., an advance of ₹30 Millions was paid on 23/05/2024 and balance amount of ₹1170/- Millions was paid on 06/03/2025.

**During the Initial Public Offering (IPO) under the Offer for Sale, the proceeds from the sale of shares were received by the company on behalf of Mrs. Chitra Pandya.

(iv) Terms and conditions of transactions with related parties

The sales to related parties are made on terms equivalent to those that prevail in arm's length transaction. There have been no guarantees provided or received from any related party receivables and payables. For the year ended March 31,2025 ; March 31,2024 ; the company has not recorded any impairment of receivables relating to amounts owned by related parties. This assesment is undertaken each financial year through examining the financial positions of the related parties and the market in which the related party operates.

Notes to Standalone Ind AS Financial Statements

43. SEGMENT REPORTING

Information reported by the management of the company for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Company is in the business of manufacture and sale of electric equipments, which in the context of Indian Accounting Standard 108 'Operating Segment' represents a single reportable business segment.

The revenues, total expenses and net profit as per the Statement of profit and loss represent the revenue, total expenses and the net profit of the sole reportable segment

Information about Geographical Areas:

Revenue from External Customers

The company is domiciled in India. The amount of its revenue from external customers and receivable broken down by location of the customers is shown in the table below:

Revenue

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
India	823.59	491.55
Outside India	666.53	783.25
	1,490.11	1,274.81

Trade Receivable

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
India	234.61	77.17
Outside India	173.17	86.42
	407.78	163.59

Revenue from Major Customers

Revenue from Customers exceeding 10% of Total Revenue is as follows :

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
India	242.24	-
Outside India	-	305.03
	242.24	305.03

Notes to Standalone Ind AS Financial Statements

44. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders of the company. The primary objective of the Company's capital management is to maximise the shareholders value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial conveyants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using gearing ratio, which is net debt divided by total capital. The company includes within debt, interest bearing loans and borrowings, less cash and cash equivalents.

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Borrowing Other than convertible preference shares	68.62	219.52
Cash & Cash Equivalents	1,007.73	108.56
Net Debt	(939.10)	110.95
Equity	774.44	721.50
Other Equity	2,556.17	219.40
Total Capital	3,330.61	940.90
Gearing Ratio	(0.28)	0.12

45. FAIR VALUE MEASUREMENTS

Fair value instruments by category and hierarchy

The fair values of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments. The fair value of lease liability is not required to be disclosed.
2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, the fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to fair value.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets included in level 3.

Notes to Standalone Ind AS Financial Statements

I. Financial Instruments by Category

(Amount in INR Millions)

Particulars	Total Amount		Amortised Cost		Fair Value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
FINANCIAL ASSETS						
Amortised Cost						
Trade Receivables	406.79	163.59	406.79	163.59	-	-
Cash and Cash Equivalents	1,007.73	104.97	1,007.73	104.97	-	-
Investments	1,270.88	70.88	1,270.88	70.88	-	-
Other Bank Balances	177.76	3.59	177.76	3.59	-	-
Other Financial Assets	201.23	497.41	201.23	497.41	-	-
Total	3,064.39	840.44	3,064.39	840.44	-	-
FINANCIAL LIABILITIES						
Amortised Cost						
Borrowings	68.62	219.52	68.62	219.52	-	-
Trade Payables	143.56	142.24	143.56	142.24	-	-
Lease Liabilities	4.21	6.06	4.21	6.06	-	-
Other Financial Liabilities	1.73	2.17	1.73	2.17	-	-
Total	218.12	369.98	218.12	369.98	-	-

46. FINANCIAL RISK MANAGEMENT

The company's activity expose it to market risk, liquidity risk, credit risk. This note explains the source of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

(A) Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The company assesses and manages credit risk based on internal credit rating system. Internal credit risk is performed for major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company does not have significant credit risk exposure to any single counterparty. Concentration of credit risk related to the above mentioned company did not exceed 10% of gross monetary assets at any time during the year. Concentration of credit risk to any other counterparty did not exceed 10% of gross monetary assets at any time during the year

ii. Expected Credit Loss for trade receivables under simplified approach

(Amount in INR Millions)

Particulars	March 31, 2025	March 31, 2024
Gross Receivables	407.78	165.10
Less: Loss allowance based on expected credit loss model	0.98	1.51
Net Receivables	406.79	163.59

Notes to Standalone Ind AS Financial Statements

iii. Reconciliation of loss allowance provision - Trade Receivables

(Amount in INR Millions)

Particulars	March 31, 2024
Loss allowance on April 1, 2023	-
Change in Loss Allowance	1.51
Loss allowance on April 1, 2024	1.51
Change in Loss Allowance	0.53
Loss allowance on March 31, 2025	0.98

Significant Estimates and Judgements

Impairment of Financial Assets

The impairment provisions for financial assets disclosed above are based on assumptions by management about risk of default and expected loss rates. The company uses judgement in making these judgements and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

47. FINANCIAL RISK MANAGEMENT

(B) Liquidity Risk

Prudent Liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to dynamic nature of underlying business, company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecast of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of Financial Liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities:

(All amounts are in INR Millions unless otherwise stated)

Particulars	Carrying Value	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
March 31, 2025					
Non-derivatives					
Borrowings	68.62	68.62	-	-	68.62
Lease Liabilities	4.21	2.02	2.20	-	4.21
Trade Payables	143.56	43.78	1.61	-	45.39
Other Financial Liabilities	1.73	1.73	-	-	1.73
Total Non-derivative Liabilities	218.12	116.14	3.81	-	119.95

(All amounts are in INR Millions unless otherwise stated)

Particulars	Carrying Value	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
March 31, 2024					
Non-derivatives					
Borrowings	219.52	219.52	-	-	219.52
Lease Liabilities	6.06	1.85	4.21	-	6.06
Trade Payables	142.24	138.54	3.70	-	142.24
Other Financial Liabilities	2.17	2.17	-	-	2.17
Total Non-derivative Liabilities	369.98	362.07	7.92	-	369.98

Notes to Standalone Ind AS Financial Statements

48. FINANCIAL RISK MANAGEMENT

(C) Market Risk

Market risk is the risk that the fair value of future Cash flows of a financial instruments will fluctuate because of change in market prices. Market Risk comprises of three types of risk : Foreign Currency risk, Interest rate risk and other price risk such as equity risk and commodity risk.

(i) Foreign Currency Risk

Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The company undertakes transactions denominated in foreign currencies and consequently the company is exposed to foreign exchange risk. Foreign currency exchange rate exposure is partly balanced by purchase of goods, commodities and services in the respective currencies. The company evaluates exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies. The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the company is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

Unhedged Foreign Currency Exposure

(Amount in INR Millions)

Particulars	As at March 31, 2025				As at March 31, 2024			
	SEK	USD	EURO	CHF	SEK	USD	EURO	CHF
Trade Payables	-	(1.21)	(22.92)	-	-	(2.90)	(2.24)	(0.42)
Trade Receivables	-	146.14	29.22	-	21.97	47.83	-	-
Net Exposure to Balance sheet	-	144.93	6.30	-	21.97	44.93	(2.24)	(0.42)

Foreign Currency Sensitivity

Particulars	As at March 31, 2025		As at March 31, 2024	
	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
SEK	-	-	0.22	(0.22)
USD	1.45	(1.45)	0.45	(0.45)
EURO	0.06	(0.06)	(0.02)	0.02
CHF	-	-	(0.00)	0.00
Increase / Decrease in Profit or Loss	1.51	(1.51)	0.64	(0.64)

(ii) Interest rate Risk

The company's main interest rate risk arises from long term borrowings with variable rates, which expose the company to cash flow interest rate risk. During March 31, 2025 and March 31, 2024, the company's borrowings at variable rates were denominated in INR.

(a) Interest rate risk exposure

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

(Amount in INR Millions)

Particulars	March 31, 2025	March 31, 2024
Variable rate borrowings	68.62	219.52
Fixed rate borrowings	-	-
Total Borrowings	68.62	219.52
% of borrowings at variable rate	100%	100%

Notes to Standalone Ind AS Financial Statements

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. The following table demonstrates the sensitivity of the variable rate debt Instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rates across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period. Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

Particulars	Impact on Profit Before Tax	
	March 31, 2025	March 31, 2024
Total Interest Expense on borrowings (In Millions)	9.76	6.25
Interest rates - Increase by 100 basis points (100 bps)*	(0.69)	(2.20)
Interest rates - Decrease by 100 basis points (100 bps)*	0.69	2.20

*Holding all other variables constant

(iii) Price Risk

(a) Exposure

Commodity Price Risk - The company is in the business of Manufacturing of Transformers and other parts and will be affected by the price volatility of mainly copper (metal) commodity. Its operating activities require the ongoing purchase and manufacture of Finished Goods and therefore requires a continuous supply of raw materials - Copper. Due to the Significantly increased volatility of the price of the copper, the company also entered into various daily purchase contracts in an active market.

The sensitivity analysis of the change in the copper price on the inventory as at year end, other factors remaining constant is given in table below:

(b) Sensitivity

Commodity price Sensitivity

(Amount in INR Millions)

Particulars	Effect on Profit and loss account	
	March 31, 2025	March 31, 2024
Copper - Raw Material	66.96	62.64
Copper Raw Material - Increase in purchase by 1%	(0.67)	(0.63)
Copper Raw Material - Decrease in purchase by 1%	0.67	0.63

49. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

Particulars	March 31, 2025	March 31, 2024
Principal amount due to suppliers under MSMED Act, 2006	13.41	15.28
Interest accrued and due to suppliers under MSMED Act, on the above amount	0.42	0.08
Payment made to Suppliers (other than Interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	0.77	0.35

The Information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the company.

Notes to Standalone Ind AS Financial Statements

50. COMMITMENTS AND CONTINGENCIES

A. COMMITMENTS

i. Capital Commitments

Capital expenditure committed for at the end of the reporting period but not recognised as liabilities is as follows:

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Property, Plant and Equipments	-	-
Intangible Assets	-	-

Note: The IPO proceeds from the Fresh Issue are proposed to be utilized, among other purposes, for funding the capital expenditure requirements of the Company, specifically towards the purchase of plant and machinery amounting to ₹ 272.20 million. (Refer Note 57)

(All amounts are in INR Millions unless otherwise stated)

B. CONTINGENT LIABILITIES	March 31, 2025	March 31, 2024
i. Claim against the company not acknowledged as debt		
Income Tax demand	-	-
Others	-	-
ii. Guarantees excluding financial guarantees		
Letter of Credit Issued	-	-
Bank Guarantees issued	107.99	106.08
iii. Other Money for which the company is contingently liable		

The Company is subject to Liability towards MSME Vendors due to Interest on Principle amounts paid after prescribed period during the ordinary course of business. While the interest payable on these amounts cannot be predicted with certainty, management believes that any ultimate liability arising from these contingencies will not have a material adverse effect on the Company's financial position, results of operations, or cash flows.

51. IND AS 116

A. Company as a lessee

The company's lease asset primarily consist of lease buildings for offices having lease terms on an average of 8 years. Effective 1st April, 2021, the company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2021 using the modified retrospective method and has taken the adjustments to retained earnings, on the date of initial application. Consequently, the company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

Set out below are the carrying amounts of right-to-use assets recognised and the movements during the period

(All amounts are in INR Millions unless otherwise stated)

Particulars	Amount	Total
Balance as at April 1, 2023	6.84	6.84
Additions during the year		
Depreciation of Right of use assets	1.71	1.71
Balance as at March 31, 2024	5.13	5.13
Additions during the year		
Depreciation of Right of use assets	1.71	1.71
Balance as at March 31, 2025	3.42	3.42

Notes to Standalone Ind AS Financial Statements

Set out below are the carrying amounts of lease liabilities and the movements during the period

Particulars	Amount
Balance as at April 1, 2023	
Additions during the year	7.75
Finance cost occurred during the year	0.71
Payment of lease liabilities	2.40
Balance as at April 1, 2024	6.06
Current Lease Liabilities	1.85
Non Current Lease Liabilities	4.21
Balance as at April 1, 2024	6.06
Additions during the year	
Finance cost occurred during the year	0.55
Payment of lease liabilities	2.40
Balance as at March 31, 2025	4.21
Current Lease Liabilities	2.02
Non Current Lease Liabilities	2.20

The maturity analysis of lease liabilities are disclosed in Notes 47

The effective Interest rate for lease liabilities is based on Incremental Borrowing rate of the lessee.

Rental expense recorded for term leases was 2.40 Millions for March 31, 2025 & 2.40 Millions for the year ended March 31, 2024.

The company does not face a significantly liquidity risk with regard to its risk liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

B. Company as lessor

Set out below are the carrying amounts of Lease Income recognised in the statement of Profit and Loss

Particulars	Amount
Other Income	
Non-operating Lease Income	6.00
As at March 31, 2024	6.00
Other Income	
Non-operating Lease Income	6.00
As at March 31, 2025	6.00

Non-operating lease income in respect of lease of land and / or Building.

52. Dividend

The Board of Directors has recommended a dividend of ₹1 per equity share of the face value of ₹ 10/- each fully paid-up for the financials year ended 31st March, 2025, subject to the approval of the shareholders at the Annual General Meeting of the Company and is not recognised as a liability as at 31st March 2025.

The Promoters and Promoters group have waived their right to receive the dividend for the financial year ended 31st March, 2025."

Notes to Standalone Ind AS Financial Statements

53. RATIO AND ITS COMPONENTS\

Ratio

Sr. No	Particulars	March 31, 2025	March 31, 2024	Variance (%)
1	Current Ratio	6.23	1.39	349.36%
2	Debt-Equity Ratio	0.02	0.23	-90.63%
3	Debt Service Coverage Ratio	20.53	13.01	57.72%
4	Return on Equity Ratio	0.12	0.21	-43.42%
5	Inventory Turnover Ratio	9.79	12.89	-24.03%
6	Trade Receivables Turnover Ratio	5.34	6.77	-21.00%
7	Trade Payables Turnover Ratio	5.54	5.34	3.82%
8	Net Capital Turnover Ratio	1.00	7.52	-86.69%
9	Net Profit Ratio	0.20	0.14	46.91%
10	Return on Capital Employed	16.75%	23.87%	-29.81%

Components of Ratios

Sr. No	Particulars	Numerator	Denominator	March 31, 2025		March 31, 2024	
				Numerator	Denominator	Numerator	Denominator
1	Current Ratio	Current Assets	Current Liabilities	1,812.69	290.83	617.31	445.05
2	Debt-Equity Ratio	Total Debts (Including Government Grants)	Total Equity(Equity Share Capital + Other equity-revaluation reserve-Capital redemption reserve	72.84	3,330.61	219.52	940.90
3	Debt Service Coverage Ratio	Net Profit after Tax + Non-cash operating expenses(i.e Depreciation and other amortisations + Interest)	Finance cost + Lease repayments +Principle repayments of Long term borrowings during the period/year	337.65	16.45	200.79	15.43
4	Return on Equity Ratio	Net Profit after Tax - Exceptional items	Average total equity[Opening ((Equity share capital + Other equity-revaluation reserve-Capital redemption reserve) + Closing (Equity share capital + other equity-revaluation reserve-Capital redemption reserve))/2]	303.11	2,606.21	175.34	853.06
5	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory ((Opening balance + Closing balance)/2)	760.72	77.67	814.24	63.16
6	Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables ((Opening balance + Closing balance)/2)	1,524.27	285.19	1,296.08	191.57

Notes to Standalone Ind AS Financial Statements

Sr. No	Particulars	Numerator	Denominator	March 31, 2025		March 31, 2024	
				Numerator	Denominator	Numerator	Denominator
7	Trade Payables Turnover Ratio	Purchase of stock in trade and material consumed	Average Trade Payables((Opening balance + Closing balance)/2)	792.14	142.90	814.24	152.50
8	Net Capital Turnover Ratio	Revenue from Operations	Working Capital (Current Assets - Current Liabilities)	1,524.27	1,521.86	1,296.08	172.26
9	Net Profit Ratio	Net Profit after Tax - Exceptional items	Revenue from Operations	303.11	1,524.27	175.44	1,296.08
10	Return on Capital Employed	Profit Before Interest, Tax and Exceptional items.	Equity Share Capital + Other equity-revaluation reserve-Capital redemption reserve + Total Debts (Including Government Grants)-Cash Equivalents-Other bank balances	408.49	2,438.15	251.09	1,051.85

Reason for variance of more than 25% in above ratios

Sr. No	Particulars	March 31, 2025
1	Current Ratio	i) Increase in Cash and Cash Equivalent due to proceeds from Initial Public Offer(IPO). ii) Reduction in Cash Credit.
2	Debt-Equity Ratio	An increase in share capital due to fresh issue of shares in IPO
3	Debt Service Coverage Ratio	Due to increase in EBITDA
4	Return on Equity Ratio	Due to increase in Share Capital due to Initial Public Offer(IPO)
5	Inventory Turnover Ratio	NA
6	Trade Receivables Turnover Ratio	NA
7	Trade Payables Turnover Ratio	NA
8	Net Capital Turnover Ratio	Due to increase in working capital & revenue
9	Net Profit Ratio	Due to increase in revenue
10	Return on Capital Employed	Due to increase in Share Capital due to Initial Public Offer(IPO)

54. OTHER NOTES AND STATUTORY DISCLOSURES

Investment in S&S Transformer and Accessories Pvt. Ltd.

S & S Transformers And Accessories Pvt. Ltd. has been engaged in the manufacturing of Current Transformers and Potential Transformers [CT PT] from 2009 to 2018. Over this period, the company has developed numerous products and associated designs. These products include various ratings such as 11 Kv or 12 Kv, both Oil immersed and Dry Type CT & PT. Approvals for these products have been obtained from CPRI (Central Power Research Institute, Bangalore) and the products are registered with several electricity boards, including the Kerala State Electricity Board Limited. The estimated value of these products and designs owned by the company is approximately ₹ 19.00 to 20.00 millions.

Hence diminution in the value of the investments made in S & S Transformers And Accessories Pvt. Ltd. are not considered and hence no provisions are required to be made in this regard, as per the policy followed by the company, at this point of time.

Notes to Standalone Ind AS Financial Statements

55. OTHER REGULATORY INFORMATION

- 1). No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- 2). The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- 3). The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- 4). The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- 5). The Company has not entered into any scheme of arrangement which has an accounting impact on current financial year.
- 6). The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- 7). The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- 8). There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- 9). The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- 10). The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- 11). The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 4 to the financial statements, are held in the name of the Company.
- 12). There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- 13). The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

56. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Following amount was utilised as financial contributions towards CSR Activities:

(Amount in INR millions)

Financial Year	Amount required to be spent by the company during the year	Amount of expenditure incurred	Shortfall at the end of the period/year	Total of Previous Years shortfall	Remarks
2024-25	3.50	3.50	NIL	0.02	N.A
2023-24	2.58	4.53	0.02	NIL	CSR Expenditure of ₹ 1.97 million for FY 2022-23, incurred in FY 2023-24.

Notes to Standalone Ind AS Financial Statements

57. Initial Public Offer (IPO) Disclosures

The Company has offered through the Initial Public Offer (IPO) with a fresh issue of 52,94,100 equity shares and offer for sale of 1,49,10,500 equity shares having face value of ₹10/- each at an issue price of ₹425/- per equity share. These equity shares were allotted/allocated on 20th February, 2025 and listed on The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 24th February, 2025.

The utilised of IPO Proceeds is summarised below

(All amounts are in INR Millions unless otherwise stated)

Sr. No	Particulars	Object of the issue as per the prospectus	Utilisation upto 31st March 2025	Unutilised / (excess spent) amount as on 31st March 2025
1	Payment of the purchase consideration for the acquisition of Mehru Electrical and Mechanical Engineers Private Limited	1170.00	1170.00	0.00
2	Funding capital expenditure requirements of our Company for purchase plant and Machinery	272.20	0.00	272.20
3	Funding inorganic growth unidentified acquisitions and other Strategic initiatives and general corporate purposes	611.70	0.00	611.70
4	Share issue expenses related to initial public offer	196.00	200.70	(4.70)
	Total	2249.90	1370.70	879.20

58. Previous year figures have been regrouped / rearranged, wherever considered necessary to conform to current year classification.

The accompanying notes form an integral part of the Standalone financial statements This is the standalone balance sheet referred to in our report of even date.

As per report of even date

For **Kishor Gujar & Associates**

Chartered Accountants

Firm's Registration Number - 116747W

Peer Review No. :- 014220

CA Javedkhan Saudagar

(Partner)

Membership No. 139006

UDIN : 25139006BMIEDO3742

Place: Pune.

Date: 27/05/2025

For and on behalf of the Board of Directors

Quality Power Electrical Equipments Limited

Thalavaidurai Pandyan

Chairman &

Managing Director

DIN: 00439782

Deepak Suryavanshi

Company Secretary

Place : Sangli

Bharanidharan Pandyan

Joint Managing

Director

DIN: 01298247

Rajesh Jayaraman

Chief Financial Officer

Date : 27/05/2025

Chitra Pandyan

Whole Time

Director

DIN: 02602659

Independent Auditors Report on the Consolidated Financial Statements

To the Members of
Quality Power Electrical Equipments Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Quality Power Electrical Equipments Limited** (hereinafter referred to as the “Holding Company”) its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), which comprise the Consolidated Statement of assets and liabilities as at 31st March 2025, the Consolidated Statement of Profit and Loss, including the statement of Other Comprehensive Income, the consolidated statement of cash flows and the Consolidated Statement of Changes in equity for the year then ended and notes to the Consolidated financial statements including a summary of material accounting policies and other explanatory information. (hereinafter referred to as “the Consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended (the ‘Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the group as at 31st March, 2025, and its Consolidated profit including other comprehensive income, its Consolidated cash flows and Consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the group in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Other Information

The Holding Company’s Management and Board of Directors are responsible for the other information. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management’s and Board of Directors’ for the Consolidated Financial Statements

The Holding Company’s management and Board of Directors are responsible for the preparation and presentation of these Consolidated financial statements in terms of requirements of the act that give a true and fair view of the consolidated financial position, Consolidated financial performance including Consolidated other comprehensive income, Consolidated cash flows and Consolidated changes in equity of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements.

In preparing the Consolidated Financial Statements, the respective management and Board of Directors of the companies included in the group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management and Board of Directors either intends to liquidate the group or to cease operations, or have no realistic alternative but to do so.

The Respective Board of Directors of the companies included in the Group are responsible for overseeing the Company's financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the respective company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence

obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended 31st March, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

We did not audit the financial statements of three subsidiaries (including step down subsidiary) included in the Group as of and for the period ended 31st March, 2025 whose financial statements reflect total assets, total revenues and net cash flows, included in the Audited Restated Consolidated Financial Statements for the relevant period as tabulated below, which has been audited by other auditors and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosure included in respect of these components, is based solely on the reports of the other auditors:

(Amount in INR Millions)

Particulars	As at and for the year ended	
	31st March, 2025	31st March, 2024
Total Assets	4,762.38	2,319.34
Total Revenue	2,027.56	1,878.99
Net Cash (outflow)/inflows	422.96	-122.02

One step down subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with International Financial Reporting Standards (IFRS) and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries.

Our opinion in so far as it relates to the balances and affairs of such step down subsidiary located outside India is based on the Consolidated Audit report of its holding company issued by respective auditor.

Our opinion above on the consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the Order) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of the subsidiaries companies, incorporated in India, there are no other matters which require reporting as specified as in paragraph 3(xxi) of the Order.
2. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - a. We/other auditors whose report have been sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid

consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors. Insofar as the modification on maintaining an audit trail in the accounting software is concerned in respect of the Holding Company and one subsidiary, which is company incorporated in India, refer paragraph (i) (vi) below

- c. The Consolidated Statement of assets and liabilities, the Consolidated Statement of Profit and Loss including the Consolidated Statement of Other comprehensive income, the Consolidated statement of Cash Flow and The Consolidated Statement of Changes in equity dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.
- e. On the basis of written representations received from the directors of the Holding Company as on 31st March 2025, and the reports of the statutory auditors of its subsidiary companies and step-down subsidiary companies, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025, from being appointed as a director in terms of section 164(2) of the Act.
- f. The modification arising from the maintenance of the Audit Trail on the accounting software, comprising the application and database are as stated in the paragraph (i) (vi) below on reporting under Rule 11 (g)
- g. With respect to the adequacy of the internal financial controls with reference to consolidated Financial Statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in 'Annexure 1' to this report;

- h. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, according to the information and explanations given to us, the managerial remuneration has been paid/ provided by the holding company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- i. With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
 - i. The Group did not have pending litigations as on Consolidated financial statement ending date other than disclosed in notes contingent liability.
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the investor education and Protection Fund by the Company.
 - iv. (a) The respective management of the Holding Company and its subsidiary companies incorporated in India have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The respective management of the Holding Company and its subsidiary companies incorporated in India has represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in aggregate) have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- (v) The Board of Directors has recommended a dividend of ₹1 per equity share of the face value of Rs. 10/- each fully paid-up for the financials year ended 31st March, 2025, subject to the approval of the shareholders at the Annual General Meeting of the Company, which is in accordance with Section 123 of the Act.

The Promoters and Promoters group have waived their right to receive the dividend for the financial year ended 31st March, 2025.
- (vi) Based on our examination, which included test checks, the holding Company has used SAP B-1 accounting software for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility at application level and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

In respect of subsidiaries, Quality Power Engineering Projects Pvt. Ltd., & Mehru Electrical Mechanical Engineers Pvt. Ltd. & S & S Transformers and Accessories Private Limited which are the companies incorporated in India, based on procedures performed by the respective auditor of such subsidiary, the subsidiary has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. Further, during the course of their audit, based on the information and explanation provided by the management, they did not come across any instance of audit trail feature being tampered with.

One of the branches of the Holding Company located at Aluva, Kerala, which has limited operations, was using an accounting software

that has the functionality to maintain an audit trail (edit log); however, the feature was not enabled or utilized during the period under audit. Further, user-wise access controls were not defined in the software.

For **KISHOR GUJAR & ASSOCIATES**

Chartered Accountants
Firm Registration No. - 116747W
Peer Review No.: 014220

CA Javedkhan Saudagar

(Partner)

Place:-Pimpri, Pune:- 411 018
Date: 30th July 2024.

Membership No.:- 139006
UDIN: 25139006BMIEDO3742

Annexure 1 to the Independent Auditor's

Report on the Consolidated Financial Statements of Quality Power Electrical Equipments Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

Opinion

In conjunction with our audit of the Consolidated Financial Statements of Quality Power Electrical Equipments Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Act which is its subsidiary companies as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to consolidated financial statements of subsidiary companies as were audited by the other auditors, the Holding Company and such companies incorporated in India which is its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors included in the group, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial statements criteria established by the respective holding company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the holding company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of holding company in so far as it relates to two subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries.

The internal financial controls with reference to financial statements/financial information in so far as it relates to one Step down subsidiary which is company incorporated outside India and included in these consolidated financial statements, have been audited by other auditors.

Our opinion is not modified in respect of these matters.

For **KISHOR GUJAR & ASSOCIATES**

Chartered Accountants
Firm Registration No. - 116747W
Peer Review No.: 014220

CA Javedkhan Saudagar

(Partner)

Place:-Pimpri, Pune:- 411 018
Date: 30th July 2024.

Membership No.:- 139006
UDIN: 25139006BMIEDO3742

Consolidated Statement of Assets & Liabilities

as at March 31, 2025

(All amounts are in INR Millions unless otherwise stated)

Particulars	Notes	As at 31st March, 2025	As at 31st March, 2024
I. ASSETS			
(1) Non - current assets			
(a) Property, Plant and Equipment	4	2,173.47	654.00
ROU Asset		-	-
Investment Property		-	-
(b) Capital Work In Progress	5	16.13	17.27
(c) Other intangible assets	6	67.09	5.61
(d) Goodwill		140.03	0.44
(e) Financial assets			
(i) Investments	7	27.94	16.14
(ii) Other financial assets	8	208.27	438.62
(f) Deferred tax assets (net)	16	39.62	7.50
(g) Other non - current assets	9	17.00	132.52
(2) Current assets			
(a) Inventories	10	1,017.60	234.59
(b) Financial assets			
(i) Investments	11	341.91	459.14
(ii) Trade receivables	12	1,371.18	794.78
(iii) Cash and cash equivalents	13	1,808.88	473.09
(iv) Bank balances other than (iii) above	14	290.33	3.59
(v) Other financial assets	15	162.02	156.55
(c) Current tax assets (net)	17	19.00	23.13
(d) Other current assets	18	435.72	171.87
(3) Non Current Asset Held for Sale	5a	4.39	-
Total Assets		8,140.58	3,588.84
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	19	774.44	721.50
(b) Other Equity		3,469.40	810.36
Equity Attributable to the Owners of the Company		4,243.84	1,531.86
Non Controlling Interest		1,693.31	371.39
Total Equity		5,937.15	1,903.25
Liabilities			
(2) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	3.16	13.01
(ii) Lease Liability	21(a)	-	-
(iii) Other Financial Liabilities	23	39.85	18.57
(b) Provisions	24	0.42	-
(c) Deferred Tax Liability (net)	16	284.35	1.28
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	85.80	369.78
(ii) Lease Liability	21(a)	-	-
(iii) Trade payables	22		
a) Outstanding dues of MSME		106.16	19.02
b) Outstanding dues of creditors others than MSME		812.87	619.89
(iv) Other financial liabilities	23	208.72	388.08
(b) Provisions	24	14.82	25.79
(c) Other current liabilities	25	647.28	230.17
Total Equity and Liabilities		8,140.58	3,588.85
Material accounting policy information and other explanatory information:	1,2,3		

The accompanying notes form an integral part of the Consolidated financial statements This is the consolidated balance sheet referred to in our report of even date.

For **Kishor Gujar & Associates**
Chartered Accountants
Firm's Registration Number - 116747W
Peer Review No. :- 014220

For and on behalf of the Board of Directors

CA Javedkhan Saudagar
(Partner)
Membership No. 139006
UDIN : 25139006BMIEDO3742

Thalavaidurai Pandyan
Chairman &
Managing Director
DIN: 00439782

Bharanidharan Pandyan
Joint Managing
Director
DIN: 01298247

Chitra Pandyan
Whole Time
Director
DIN: 02602659

Place: Pune.
Date: 27/05/2025

Deepak Suryavanshi
Company Secretary
Place : Sangli

Rajesh Jayaraman
Chief Financial Officer
Date : 27/05/2025

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(All amounts are in INR Millions unless otherwise stated)

Particulars	Note No.	For the year ended 31st March, 2025	For the year ended 31st March, 2024
I. Revenue from operations	26	3,366.46	3,018.20
II. Other income	27	557.01	297.71
III. Total Income (I+II)		3,923.47	3,315.92
IV. Expenses:			
Cost of materials consumed	28	2,079.28	2,054.94
Purchase of Traded Goods	28a	23.21	-
Changes in inventories of finished goods, traded goods and work in progress	29	(96.00)	(50.24)
Employee benefits expense	30	336.76	303.18
Finance costs	31	24.39	22.93
Depreciation and amortization expense	32	47.04	33.65
Other expenses	33	369.91	321.55
Total expenses		2,784.59	2,686.01
V. Profit/(loss) before exceptional items and tax (III - IV)		1,138.88	629.90
Exceptional items (Gain)/Loss	34	16.25	(2.66)
Profit/(loss) before tax		1,122.63	632.57
VI. Tax expense :			
Current tax		108.33	77.55
Deferred tax		13.02	0.26
Income tax relating to earlier years		(0.21)	-
		121.14	77.81
VII. Profit for the year		1,001.49	554.76
VIII Other comprehensive income			
A Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability/asset		(1.63)	18.33
Foreign Currency Conversion Adjustment		-	-
Tax on items that will not be reclassified to profit or loss		0.37	(4.57)
B Items that will be reclassified to profit or loss			
Remeasurement of the net defined benefit liability/asset		-	-
Foreign Currency Conversion Adjustment		25.67	13.23
Tax on items that will be reclassified to profit or loss		-	-
Total other comprehensive income, net of tax		24.41	26.99
IX. Total comprehensive income for the year		1,025.90	581.75
Profit attributable to:			
Owners of the Holding Company		661.71	374.44
Non - Controlling Interest		339.78	180.32
Other Comprehensive Income/(Loss) attributable to:			
Owners of the Holding Company		12.57	13.61
Non - Controlling Interest		11.85	13.38
X. Total comprehensive income attributable to:			
Controlling Interest		674.28	388.04
Non Controlling Interest		351.62	193.70
XI. Earnings per equity share (Nominal value per share ₹ 10/-)	35		
- Basic (₹)		9.10	5.19
- Diluted (₹)		9.10	5.19
Material accounting policy information and other explanatory information:	1,2,3		

The accompanying notes form an integral part of the Consolidated financial statements This is the consolidated balance sheet referred to in our report of even date.

For **Kishor Gujar & Associates**
Chartered Accountants
Firm's Registration Number - 116747W
Peer Review No. :- 014220

For and on behalf of the Board of Directors

CA Javedkhan Saudagar
(Partner)
Membership No. 139006
UDIN : 25139006BMIEDO3742

Thalavaidurai Pandyan
Chairman &
Managing Director
DIN: 00439782

Bharanidharan Pandyan
Joint Managing
Director
DIN: 01298247

Chitra Pandyan
Whole Time
Director
DIN: 02602659

Place: Pune.
Date: 27/05/2025

Deepak Suryavanshi
Company Secretary
Place : Sangli

Rajesh Jayaraman
Chief Financial Officer
Date : 27/05/2025

Consolidated Statements of Cash Flows

for the year ended March 31, 2025

(All amounts are in INR Millions unless otherwise stated)

Particulars	2024-2025	2023-2024
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Statement of Profit & Loss	1,122.64	632.55
Adjustment for :		-
Depreciation and amortization Expenses	47.04	33.65
Finance Cost	24.39	22.93
Notional Gain on Listed Equity Shares	(1.03)	-
Profit on Sale of Assets	16.25	(2.67)
Interest on Fixed Deposit	(354.96)	(209.09)
Remeasurement of benefit Obligations	4.48	2.56
Operating profit before working capital changes	858.81	479.93
Working Capital Changes		
(Increase)/Decrease in Trade Receivables	(63.94)	(144.76)
(Increase)/Decrease in Inventory	(2.62)	244.13
(Increase)/Decrease in Other Current & Non Current Assets	(15.29)	(14.83)
Increase/(Decrease) in Trade Payables	(88.24)	115.61
Increase/(Decrease) in Other Current Liabilities & Provision	35.56	(72.45)
Cash generated from operations	724.29	607.63
Less:- Income Taxes paid	99.69	92.46
Net cash flow from operating activities A	624.59	515.16
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of PPE including of CWIP	(158.90)	(357.41)
Sale of PPE	16.27	54.51
Advance paid for purchase of fixed Assets	(9.71)	(120.00)
Investment made/Sold during the year	(1,043.09)	(168.53)
Interest Income	354.96	209.09
Forex -PPE, Intangible Assets	(86.80)	(3.59)
Net cash flow from investing activities B	(927.27)	(385.93)
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Net Proceeds/(Repayment) of Issue of Capital	2,045.14	-
Net Proceeds of Short Term Borrowings	(297.60)	265.68
Net Proceeds of Long Term Borrowings	(13.12)	11.05
Interest and Finance Cost	(24.39)	(22.93)
Net cash flow from financing activities C	1,710.03	253.80
D) IMPACT OF FOREIGN STEP DOWN SUBSIDIARY :		
Change in foreign currency arising on Consolidation	25.67	13.23
Gross up effect of Hyper Inflation of Step Down Subsidiary	(97.21)	(435.05)
D	(71.54)	(421.82)
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C+D)	1,335.78	(38.79)
Cash equivalents at the beginning of the year	473.09	511.89
Cash equivalents at the end of the year	1,808.88	473.09

Material accounting policy information and other explanatory information: Refer Note 1,2,3

The accompanying notes form an integral part of the Consolidated financial statements This is the consolidated balance sheet referred to in our report of even date.

Consolidated Statements of Cash Flows

for the year ended March 31, 2025

Cash and Cash Equivalents

Particulars	2024-2025	2023-2024
Balances with banks	1,792.52	347.15
Deposits with bank -original maturity of less than 3 months	10.59	102.54
Cash on hand	5.77	23.40
	1,808.88	473.09

- The Cash flow statements has been prepared under the "Indirect Method" as set out in IndAS 7 'Statement of Cash Flow '
- (Increase)/Decrease in Non Current Assets includes opening Balance of Cash and Cash Equivalents of Mehru Electricals & Mechanicals Engineers Pvt. Ltd. as on 6th March 2025.

As per report of even date

For **Kishor Gujar & Associates**

Chartered Accountants

Firm's Registration Number - 116747W

Peer Review No. :- 014220

For and on behalf of the Board of Directors

CA Javedkhan Saudagar

(Partner)

Membership No. 139006

UDIN : 25139006BMIEDO3742

Thalavaidurai Pandyan

Chairman &

Managing Director

DIN: 00439782

Bharanidharan Pandyan

Joint Managing

Director

DIN: 01298247

Chitra Pandyan

Whole Time

Director

DIN: 02602659

Deepak Suryavanshi

Company Secretary

Place : Sangli

Rajesh Jayaraman

Chief Financial Officer

Date : 27/05/2025

Place: Pune.

Date: 27/05/2025

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

(A) Equity Share capital

(All amounts are in INR Millions unless otherwise stated)

Particulars	Balance at the beginning of the year	Changes in Equity Share Capital due to prior period errors	Changes in equity share capital during the year	Balance at the end of the year
March 31, 2025				
Numbers	7,21,50,000	-	52,94,100	7,74,44,100
Amount in INR Millions	721.50	-	52.94	774.44
March 31, 2024				
Numbers	1,500	-	7,21,48,500	7,21,50,000
Amount in INR Millions	1.50	-	720.00	721.50

(B) Other Equity (Refer Note 20)

(All amounts are in INR Millions unless otherwise stated)

Particulars	Reserves and Surplus					Other Comprehensive Income		Share of Controlling Interest	Share of Non-Controlling Interest	Total
	General Reserve	Retained Earnings	Securities Premium Reserve	Legal Reserves	Capital Adjustment Difference Reserve	Defined Benefit Plan	FCTR			
As on 01.04.2023	24.53	943.99	-	2.15	12.69	(1.60)	137.73	1,119.49	635.57	1,755.06
Profit for the year	-	374.42	-	-	-	-	-	374.42	180.32	554.74
Foreign Currency Translation Reserve	-	-	-	-	-	-	13.23	13.23	-	13.23
Other Fixes	-	(216.79)	-	-	-	-	-	(216.79)	(218.26)	(435.05)
Bonus Issue	-	(720.00)	-	-	-	-	-	(720.00)	-	(720.00)
Gain / (Loss) on Right Issue	7.87	225.18	-	-	-	-	-	233.05	(233.05)	-
Other Comprehensive Income	-	-	-	-	-	6.96	-	6.96	6.80	13.76
Total for the year	7.87	(337.18)	-	-	-	6.96	13.23	(309.13)	(264.18)	(573.31)
As at March 31, 2024	32.40	606.81	-	2.15	12.69	5.36	150.96	810.36	371.39	1,181.75

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

(All amounts are in INR Millions unless otherwise stated)

Particulars	Reserves and Surplus					Other Comprehensive Income		Share of Controlling Interest	Share of Non-Controlling Interest	Total
	General Reserve	Retained Earnings	Securities Premium Reserve	Legal Reserves	Capital Adjustment Difference Reserve	Defined Benefit Plan	FCTR			
As on 01.04.2024	32.40	606.81	-	2.15	12.69	5.36	150.96	810.36	371.39	1,181.75
Profit for the year	-	661.71	-	-	-	-	-	661.71	339.78	1,001.49
Security Premium on issue of shares	-	-	2,197.05	-	-	(0.55)	12.79	2,209.29	-	2,209.29
Less: Share issue expense*	-	-	(204.86)	-	-	-	-	(204.86)	-	(204.86)
Other Fixes	-	(51.70)	-	-	-	-	-	(51.70)	(52.05)	(103.76)
Adjustment in Legal Reserve	-	-	-	0.44	-	-	-	0.44	0.42	0.86
Capital Adjustment Difference Reserve	-	-	-	-	2.90	-	-	2.90	2.79	5.69
Increase in Non-controlling interest due to Acquisition	-	-	-	-	-	-	-	-	1,018.82	1,018.82
Other Comprehensive Income	-	41.25	-	-	-	-	-	41.25	12.17	53.42
Total for the year	-	651.26	1,992.20	0.44	2.90	(0.55)	12.79	2,659.03	1,321.93	3,980.96
As at March 31,2025	32.40	1,258.06	1,992.20	2.59	15.59	4.80	163.75	3,469.40	1,693.31	5,162.71

* includes ROC expense for increase in share capital of ₹ 9.58 millions.

Material accounting policy information and other explanatory information: 1,2,3

The accompanying notes form an integral part of the Consolidated financial statements This is the consolidated balance sheet referred to in our report of even date.

As per report of even date

For **Kishor Gujar & Associates**

Chartered Accountants

Firm's Registration Number - 116747W

Peer Review No. :- 014220

CA Javedkhan Saudagar

(Partner)

Membership No. 139006

UDIN : 25139006BMIEDO3742

Place: Pune.

Date: 27/05/2025

For and on behalf of the Board of Directors

Thalavaidurai Pandyan

Chairman &

Managing Director

DIN: 00439782

Bharanidharan Pandyan

Joint Managing

Director

DIN: 01298247

Chitra Pandyan

Whole Time

Director

DIN: 02602659

Deepak Suryavanshi

Company Secretary

Place : Sangli

Rajesh Jayaraman

Chief Financial Officer

Date : 27/05/2025

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

Group Overview

Quality Power Electrical Equipments Limited was incorporated on 20th September, 2001 under the provision of the companies' act, 1956 as a Private Limited Company. Thereafter the company was converted from private limited to public limited via fresh certificate of incorporation dated June 14, 2024 issued by Register of companies, Pune, Maharashtra. The company's registered office is situated at Plot No. L - 61, M. I. D. C. Kupwad Block, Sangli, Maharashtra- 416436 India. The company is engaged in Manufacturing of Power Products and providing Services in the areas of Power Generation, Power Transmission, Power Distribution and Power Automation.

The Consolidated Financial Statement includes the financial Statement of the Quality Power Electrical Equipments Limited (CIN L31102PN2001PLC016455) ("the Company" or "the Parent") and its subsidiaries (Collectively "the group").

The following entities are included in consolidation:

Name of the Company	Country of Incorporation	Shareholding either directly or through subsidiaries for the years	Nature of Operations (commenced/ planned)
Quality Power Engineering Projects Private Limited	India	98%- Subsidiary	Commenced
S&S Transformers And Accessories Private Limited	India	100%- Subsidiary	Commenced
Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Turkey	51%-Step Down Subsidiary	Commenced
Mehrui Electricals & Mechanical Engineers Pvt. Ltd.(w.e.f. March 6,2025)	India	51%-Subsidiary	Commenced

1. STATEMENT OF COMPLIANCE.

The Consolidated Ind AS Financial Statements of the Company and its subsidiaries (collectively, the "Group") comprises of Consolidated Statements of Assets and Liabilities as at 31st March, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash flows, and the Consolidated Statement of Changes in Equity for the period ended 31st March, 2025 and the Material Accounting Policies and Other Explanatory Notes (collectively, the 'Consolidated Financial Statements').

2. MATERIAL ACCOUNTING POLICIES.

A. BASIS OF PREPARATION AND PRESENTATION.

The Financial Statement of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") (date of adoption 1st April, 2022) as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Act, as applicable to the financial statements and other relevant provisions of the Act.

The Consolidated Financial Statements have been prepared on the historical cost basis except certain financial assets and liabilities which are measured at fair value and Defined benefit plan.

The Company has prepared the Consolidated Financial Statements on the basis that it will continue to operate as a going concern.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the period/years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed in Note 3 below.

B. BASIS OF CONSOLIDATION.

The Consolidated Financial Statement comprises of the financial statements of the Company and its subsidiary. Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiaries are consolidated from the date control commences until the date control ceases. The results of subsidiaries acquired, or sold, during the year/period are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

Consolidated Financial Statement are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments were made in preparing the Consolidated Financial Statement to ensure conformity with the group's accounting policies.

Financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., for the period ended on 31st March, 2025.

C. CONSOLIDATION PROCEDURE FOR SUBSIDIARY.

- Combining like items: Consolidate like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- Eliminating Parent's Investment and Subsidiary Equity: Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- Eliminating Intragroup Transactions: Completely eliminate intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and Property, plant & Equipment, are eliminated in full).

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When the proportion of the equity held by non-controlling interest changes, the group adjust the carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interests in the subsidiary. The group recognises directly in equity any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received, and attribute it to the owners of the parent.

D. FUNCTIONAL AND PRESENTATION CURRENCY.

The consolidated financial Statement is reported in Indian rupees in Millions, which is also the functional currency of the Parent Company, except share and per share data, unless otherwise stated. Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). Due to rounding off, the

numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

E. REVENUE RECOGNITION.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Contract Revenue:

The group earns revenue primarily from Manufacturing of Products and providing Services in the areas of Power Generation, Power Transmission, Power Distribution and Power Automation. Revenue from such contracts is recognized over time because of the continuous transfer of control to the customer. With control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. Cost based input method of progress is used because it best depicts the transfer of control to the customer that occurs as costs are incurred.

However, when control of the goods is transferred to the customer, generally on delivery of the goods and as per terms of agreement/sales order i.e. Ex Works basis or FOR basis (Free on Road basis). Revenue from sale of goods is recognised at a point in time.

No significant element of financing is deemed present for the sales made with a credit term, which is consistent with market practice.

Duty Drawback and RoDTEP:

Duty drawback and RoDTEP income are recognised where there is reasonable assurance that the benefit will be received and all attached conditions will be complied with. The benefits on account of duty drawback and RoDTEP are accrued and accounted in the year of sales and are included in other operating revenue.

Other Income

Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

Interest income:

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head other income in the statement of profit and loss.

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

Rental Income

Revenue in respect of rent income is recognized on an accrual basis, in accordance with the terms of the respective contract as and when the Group satisfies performance obligations by delivering the services as per contractual agreed terms.

F. CONTRACT BALANCES

CONTRACT ASSETS

A contract asset is initially recognised for revenue earned from project business because the receipt of consideration is conditional on successful completion of the work. Upon completion of the work and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables once the amounts are billed to the customer as per the terms of the contract. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in below section M Impairment.

TRADE RECEIVABLES

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section L Financial instruments – initial recognition and subsequent measurement.

CONTRACT LIABILITIES

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

G. PROPERTY, PLANT AND EQUIPMENT (PPE).

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost net off impairment, if any. Freehold land is stated at cost.

The cost of an item of property, plant and equipment comprises:

- its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.
- Capitalized borrowing costs
- Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and depreciated accordingly.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment as at 1st April 2021 (the date of transition), measured under the previous GAAP, and use that carrying value as the deemed cost under Ind AS. The Group has applied the same accounting policy choices, including the mandatory exceptions and optional exemptions under Ind AS 101, as initially adopted on the date of transition (1st April 2021), while preparing the financial Statement for the period ended 31st March 2025, with Ind AS adoption effective from 1st April 2022.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on written down value basis using the useful lives as prescribed under Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a property, plant & equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life, amortisation is calculated on straight line method basis for step down subsidiary Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi).

Assets	Useful Life
Building & Property	5-60 years
Furniture & Fixtures	2-15 years
Plant & Equipment	3-20 Years
Office Equipment	5 Years

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

Assets	Useful Life
Computer & Peripherals	3 Years
Vehicles	5-15 years
Leasehold land	10-99 years

H. GOODWILL AND INTANGIBLE ASSETS

Goodwill:

Goodwill is initially recognised as the excess of consideration paid/payable over acquirer's interest in the fair value of the identifiable net assets of the acquired business. Subsequent to initial measurement, goodwill is measured at cost less accumulated impairment, if any. Goodwill is allocated to the cash-generating unit which is expected to benefit from the business combination.

Intangible assets:

Intangible assets under development

The expenses costs incurred during research phase recognised to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon completion the amount is capitalised as intangible assets. Other intangible assets are initially recognised at cost except those acquired in a business combination. Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value on the acquisition date which is regarded as their cost. Subsequent to initial recognition, intangible assets with definite useful lives are amortised on a straight-line basis so as to reflect the pattern in which the asset's economic benefits are consumed and are reported at cost less accumulated amortisation and accumulated impairment losses, if any.

The other intangible assets are amortised over the estimated period of benefit as below:

Asset Class	Useful lives
Software & Rights	3-10 years
Technical Knowhow	3-10 years
Product Development	2-10 years

The amortisation period for intangible assets are reviewed annually and changes in expected useful lives are treated as changes in estimates.

I. IMPAIRMENT OF ASSETS (PPE, Intangible Assets)

The carrying amount of Intangible assets and property, plant and equipment as at the end of each financial year/period are reviewed to determine whether there is any indication that those assets have suffered an impairment loss if such indication exists, PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined.

In the case of an individual asset, at the higher of the fair value less costs to sell and the value in use.

J. FOREIGN CURRENCY.

The Group's consolidated financial statements are presented in ₹ millions, which is also the 'Holding Company's' functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

In preparing the financial statements of each individual group entity, income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement are recognised in the Statement of Profit and Loss. Non-monetary items denominated in a foreign currency are measured at historical cost and translated at exchange rate prevalent at the date of transaction.

For the purposes of presenting these consolidated financial statements, the monetary assets and liabilities of the Group's foreign operations are translated into ₹ using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non- controlling interests as appropriate).

On disposal of a foreign operation, the associated exchange differences are reclassified to Statement of Profit and Loss as part of the gain or loss on disposal. Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

K. Hyperinflationary Economies

Several factors are considered when evaluating whether an economy is hyperinflationary, including the inflation, and the change in customer price index.

The impact on financial statements of subsidiaries / branch operating in hyperinflationary economies is

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

considered for the changes in the general purchasing power of the local currency, using official indices at the balance sheet date, before translation into Indian Rupees (INR) and, as a result, are stated in the terms of the measuring unit at the balance sheet date.

The index used to apply hyperinflation accounting is the Consumer Price Index published by the relevant authorities.

Adjustment of financial statements during periods of high inflation

Since the cumulative three-year inflation rate has risen to above 100% as of March 2022, based on the Turkish nation-wide consumer wholesaler price index announced by the Turkish Statistical Institution ("TSI"), Turkey should be considered a hyperinflationary economy under IAS 29 beginning from 30 April 2022. Consequently, the financial statements of the entities whose functional currency TL are indexed for the changes in the general purchasing power of the Turkish Lira as at 31 March 2025 based on IAS 29. The restatement is calculated by means of conversion factors derived from the Turkish countrywide consumer price index (CPI) published by the TSI. For the last four years, such indices and conversion factors consumer price index is used to restate the accompanying financial statements are as follows:

Date	Index	Conversion Factor
31 March 2025	2,954.69	1,000
31 March 2024	2139,47	1,1807

Ind AS require the financial statements of an entity with a functional currency that hyperinflationary to be indexed in accordance with Ind AS 29 requirements whether they are based on a historical cost or a current cost approach and to be applied retrospectively, as if the currency had always been hyperinflationary. The basic principle in Ind AS 29 is that the financial statements of an entity that reports in the currency of a hyperinflationary economy should be stated in terms of the measuring unit current at the reporting date.

The main procedures applied for the restatements mentioned above are as follows:

- Monetary assets and liabilities that are carried at amounts current at the reporting date are not indexed because they are already expressed in terms of the monetary unit current at the reporting date.
- Non-monetary assets and liabilities that are not carried at amounts current at the balance sheet date, and components of shareholders' equity

are indexed by applying the relevant conversion factors from the date of the transaction or, if applicable, from the date of their most recent inflation adjustment to the reporting date.

- Property, plant and equipment are indexed by applying the change in the index from the date of the transaction. Depreciation is based on the indexed amounts.
- All items in the income statement except for the depreciation charges explained above and deferred tax charges, are indexed by applying the monthly conversion factors of the transactions to the reporting date.
- The effects of inflation on the net monetary positions of the Company, is included in the profit or loss statement as "monetary gain / (loss)".
- All items in the cash flow statement are expressed in terms of the measuring unit current at the reporting date; and all items in the statement of cash flows are, therefore, indexed by applying the relevant conversion factors from the date on which the transaction originated.

In the reporting period in which an entity identifies the existence of hyperinflation in the economy of its functional currency, not having been hyperinflationary in the prior period, the entity shall apply the requirements of Ind AS 29 as if the economy had always been hyperinflationary. Therefore, in relation to non-monetary items measured at historical cost, the entity's opening statement of financial position at the beginning of the earliest period presented in the financial statements shall be indexed to reflect the effects of inflation from the date the assets were acquired, and the liabilities were incurred or assumed until the end of the reporting period. For non-monetary items carried at the opening statement of financial position at amounts current at dates other than those of acquisition or incurrence, that restatement shall reflect instead the effect of inflation from the dates those carrying amounts were determined until the end of the reporting period.

Corresponding figures

Endoks's functional currency is the currency of a hyperinflationary economy, therefore it has restated its comparative financial statements in accordance with Ind AS 29 before applying the translation method set out in Ind AS 21, which requires all amounts (ie assets, liabilities, equity items, income and expenses, including comparatives) shall be translated at the closing rate at the date of the most recent statement of financial position except that when amounts are translated into the currency of a non-hyperinflationary

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

economy, comparative amounts shall be those that were presented as current year amounts in the relevant prior year financial statements (i.e. not adjusted for subsequent changes in the price level or subsequent changes in exchange rates).

L. INVENTORIES.

Raw Materials: Raw Materials are valued at lower of cost or net realizable value, based on First in First out method arrived after including Freight inward and other expenditure directly attribute to acquisition.

Work in Progress and Finished Goods: Work in Progress and Finished Goods are valued at lower of cost or net realizable value. Cost of manufactured of Finished Goods comprises direct material, direct labour and appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

M. FINANCIAL INSTRUMENTS.

Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss. Transaction cost that are directly attributable to Equity instrument are deducted from equity. These are not charged to Profit or Loss. Share issue expenses that are directly attributable to the issuance of shares (equity instruments) are deducted from the securities premium.

FINANCIAL ASSETS

a. Initial recognition and measurement.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

b. Subsequent Measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Financial Assets at amortised cost.

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade receivables, loans and other financial assets.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold assets for collecting contractual cash flows, principal amount and contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss.

(iii) Financial assets at fair value through profit or loss (FVTPL).

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

c. Investments in subsidiaries, joint ventures and associates.

Investment in subsidiaries, joint ventures and associates are carried at cost less impairment in the financial statements.

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

d. De-recognition.

The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired or it transfers the right to receive the contractual cash flow on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

FINANCIAL LIABILITIES

a. Initial recognition and measurement.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Financial Liabilities at fair value through profit or loss (FVTPL).

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss.

(ii) Financial liabilities at amortised cost.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the statement of profit and loss

c. De-recognition.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

d. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

N. IMPAIRMENT

The Company assessed the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on the Company's past history of recovery, credit worthiness of the counter party and existing and future market conditions.

For all financial assets other than trade receivables and contract assets, expected credit losses are measured at an amount equal to the 12-month expected credit loss (ECL) unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. For trade receivables, the Company has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the receivables.

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For contract assets, the Company has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the contract assets.

O. BORROWING COSTS.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

P. CASH AND CASH EQUIVALENTS.

Cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks (three months or less from the date of acquisition). For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks (three months or less from the date of acquisition), net of outstanding bank overdrafts that are repayable on demand and are considered part of our Group's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

Deposits with banks with original maturity more than 3 months but less than 12 months are shown in Bank balances other than cash and cash equivalents.

Margin money deposit is shown in Bank balances other than cash and cash equivalents.

Q. CASH FLOW STATEMENTS.

Cash flows are reported using the indirect method as per Ind AS 7 Statement of cash flows, whereby net profit before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

R. EARNINGS PER SHARE (EPS).

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit or loss attributable to equity shareholders
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued and sub-division of face value of equity shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the profit or loss attributable to equity shareholders
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

S. LEASES.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of Office, machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

T. EMPLOYEE BENEFIT EXPENSES.

(i) Employment benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post-Employment benefits

(a) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which a Group pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Group recognises contribution payable as an expenditure, when an employee renders the related services. If the contribution already paid exceeds the contribution due for services received before the reporting period, then excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

(b) Defined benefit plans

The Group's net obligation in respect of gratuity is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the reporting date.

Re-measurement of defined benefit plans in respect of post-employment are charged to Other Comprehensive Income.

- (c) **Compensated absences:** Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the period are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the period end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the period are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each period. Actuarial losses/gains are recognised in the Standalone Statement of Profit and Loss in the period in which they arise.

(iii) Termination benefits

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

U. TAXES.

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the consolidated summary statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly.

i. Current income tax

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date of the respective country. The payment made in excess/(shortfall) of the Group's income tax obligation for the period are recognised in the consolidated financial statement of assets and liabilities as current income tax assets/liabilities.

Current income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the consolidated financial statement of assets and liabilities, if and only when, (a) the Group currently has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) when it relates to income tax levied by the same taxation authority and where there is an intention to settle the current income tax balances on net basis.

ii. Deferred tax (Net)

Deferred income tax is recognised using the balance sheet approach, deferred tax is recognised on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. In view of the same deferred tax assets and deferred tax liabilities have been shown separately.

Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised outside profit or loss. In such cases, the tax effects are also recorded outside profit or loss, either in Other Comprehensive Income or directly in Equity, consistent with the underlying transaction or event.

Accordingly:

- Tax on items recognised in Other Comprehensive Income, such as remeasurement of defined benefit obligations or changes in fair value of equity instruments designated at fair value through OCI, is also recognised in Other Comprehensive Income.
- Tax on items recognised directly in equity, such as tax benefits related to share issue expenses or adjustments on initial recognition of financial instruments, is recognised directly in equity.

A deferred tax asset has been recognised on share issue expenses, as these are allowable as a deduction over a period of five years for tax purposes, while the corresponding expense is adjusted directly against equity for accounting purposes. The resulting deductible temporary difference has been recognised as a deferred tax asset.

The Company has recognized Deferred Tax Liabilities (DTL) on temporary differences arising between the fair values of the acquired assets and liabilities and their corresponding tax bases. Such recognition ensures that the tax effects of fair value adjustments arising from the business combination are appropriately captured.

No deferred tax liability has been recognized in respect of goodwill arising on acquisition, in accordance with the exception provided under Ind AS 12.

V. PROVISIONS AND CONTINGENCIES.

(i) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

(ii) Warranties

The estimated liability for product warranties is recorded when products are sold / project is completed. These estimates are established using historical information on the nature, frequency and average cost of warranty claims. Management estimates for possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claims arise being typically up to five years.

(iii) Contingent Liabilities

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

(iv) Contingent Assets

Contingent assets are not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised accordingly.

W. OPERATING SEGMENT.

The Group is exclusively engaged in the business of Manufacturing of Power Products and providing Services in the areas of Power Generation, Power Transmission, Power Distribution and Power Automation.

Based on the management approach, the allocation of resources assessment of segment performances is focused on the types of goods or services delivered or provided. The Group is in the business of manufacture and sale of electric equipments, which in the context of Indian Accounting Standard 108 'Operating Segment' represents a single reportable business segment.

The revenues, total expenses and net profit as per the Statement of profit and loss represent the revenue, total expenses and the net profit of the sole reportable segment.

X. RELATED PARTY TRANSACTIONS.

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 - Related Party Disclosures for the financial year ended March 31, 2025 and as reported in the Consolidated Financial Statement, see "Consolidated Financial Statement – Notes forming part of the Consolidated Financial Statement".

Y. CORPORATE SOCIAL RESPONSIBILITY ("CSR").

As per Section 135 of the Companies act, 2013, a parent company, meeting the applicability threshold, need to spend at least 2% of its average net profit for the immediately preceding three financial years on CSR activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, health care, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. The funds were primarily allocated to a project and utilized through the year on these activities which are specified in schedule VII of the Companies Act, 2013.

As per section 135 of the Companies Act, 2013, a parent company has formed CSR committee.

Z. CURRENT AND NON-CURRENT CLASSIFICATION.

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

AA. SUBSEQUENT EVENTS OCCURRED AFTER BALANCE SHEET DATE.

No subsequent events occurred after the balance sheet date.

BB. NON-CURRENT ASSETS (OR DISPOSAL GROUPS) HELD FOR SALE

Classification as Held for Sale:

The Company classifies non-current assets or disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition and its sale must be highly probable.

Management must be committed to the plan to sell the asset, and the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

Measurement:

Non-current assets or disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Depreciation on such assets ceases from the date they are classified as held for sale.

Discontinued Operations:

A discontinued operation is a component of the Company that either has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

Presentation and Disclosure:

Assets and liabilities classified as held for sale are presented separately under the current section of the Balance Sheet. The results of discontinued operations are presented separately from continuing operations in the Statement of Profit and Loss, including the comparative period. Relevant disclosures are made in accordance with the requirements of Ind AS 105.

CC. BUSINESS COMBINATIONS

Business combinations are accounted for using the acquisition method as per Ind AS 103. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

DD. OTHERS

- i. Figures have been rearranged and regrouped wherever practicable and considered necessary.
- ii. Recent Accounting Pronouncement:

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024

notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback - Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Further MCA has notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, with respect to lack of exchangeability and this will be applicable to the Group for reporting periods beginning on or after 1 April 2025.

3. SIGNIFICANT ACCOUNTING, JUDGEMENTS ESTIMATES AND ASSUMPTIONS.

In the application of the Company's accounting policies, which are described in Note 2 above, Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year:

(i) Cost to Complete.

Management estimates the costs to complete for each project for the purpose of revenue recognition and recognition of anticipated losses on projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget.

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

This process requires monitoring controls including financial and operational controls and identifying major risks facing the Company and developing and implementing initiatives to manage those risks. The Company's Management is confident that the costs to complete the project are fairly estimated.

(ii) Percentage of Completion.

Management's estimate of the percentage of completion on each project for the purpose of revenue recognition is through conducting some weight analysis to assess the actual quantity of the work for each activity performed during the reporting period and estimate any future costs for comparison against the initial project budget.

This process requires monitoring of financial and operational controls. Management is of the opinion that the percentage of completion of the projects is fairly estimated. As required by Ind AS 115, in applying the percentage of completion on its projects, the Company is required to recognise any anticipated losses on its contracts.

(iii) Impairment of financial assets and contract assets.

The Company's Management reviews periodically items classified as receivables and contract assets to assess whether a provision for impairment should be recorded in the statement of profit and loss. Management estimates the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgement and uncertainty.

The Company reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(iv) Fair value measurement of financial instruments.

Some of the Company's assets are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for fair value measurements.

(v) Litigations.

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made, and the amount of the loss can be reasonably estimated.

Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each Balance Sheet date and revisions made for the changes in facts and circumstances. Provision for litigations and contingent liabilities are disclosed in Note 44(B).

(vi) Defined Benefit plans.

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each Balance Sheet date and disclosed in Note 36.

(vii) Useful lives of property, plant and equipment and intangible assets.

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

(viii) Impairment of Goodwill.

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which the goodwill is allocated. The value in use calculations requires the directors to estimate

Material Accounting Policies and other explanatory notes to Consolidated Financial Statements

the future cash flows expected to arise from the cash generating unit and suitable discount rate in order to calculate the present value. Where the actual future cash flows expected to arise are less than expected a material impairment loss may arise.

(ix) Warranty provisions

The Company gives warranties for its products, undertaking to repair or replace the product that fail to perform satisfactory during the warranty period.

Provision made at the year-end represents the amount of expected cost of meeting such obligations of rectification / replacement which is based on the historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives. Provision towards warranty is disclosed in Note 24.

For and on behalf of the Board of Directors of

QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED

Thalavaidurai Pandyan

Chairman & Managing Director
DIN: 00439782

Bharanidharan Pandyan

Joint Managing Director
DIN: 01298247

Chitra Pandyan

Whole Time Director
DIN: 02602659

Deepak Suryawanshi

Company Secretary
PAN: CJKPS2065J

Rajesh Jayaraman

Chief Financial Officer
PAN: ABHPR6320E

Notes Forming Part of the Consolidated Financial Statement

4. PROPERTY PLANT AND EQUIPMENTS

(All amounts are in INR Millions unless otherwise stated)

Description	Land*	Building	Plant & Machinery	Vehicle	Computer	Other Assets	Total
GROSS CARRYING VALUE (Cost or Deemed Cost)							
As at April 1, 2024.	317.08	158.26	72.66	114.80	3.07	50.80	716.67
Exchange Difference on FCTR	43.41	23.61	4.25	28.02	-	14.78	114.08
Addition on business combination	900.00	224.48	135.74	19.82	1.48	16.73	1,298.26
Additions	160.15	12.20	12.44	12.55	1.18	13.28	211.80
Disposals	-	-	-	38.41	-	-	38.41
As at March 31, 2025	1420.64	418.54	225.10	136.79	5.73	95.60	2,302.40
ACCUMULATED DEPRECIATION/ IMPAIRMENT							
As at April 1, 2024	-	16.89	19.69	7.34	1.64	17.10	62.67
Exchange Difference on FCTR	-	6.06	3.56	7.72	-	11.19	28.52
Depreciation for the Period	1.89	9.35	11.24	11.76	0.91	8.49	43.64
Deductions/Adjustments during the period	-	-	-	5.89	-	-	5.89
As at March 31, 2025	1.89	32.30	34.50	20.93	2.55	36.78	128.94
Net carrying value as at March 31, 2025	1,418.76	386.25	190.61	115.86	3.18	58.82	2,173.47

(All amounts are in INR Millions unless otherwise stated)

Description	Land	Building	Plant & Machinery	Vehicle	Computer	Other Assets	Total
GROSS CARRYING VALUE (Cost or Deemed Cost)							
As at April 1, 2023.	119.01	156.91	48.92	57.79	2.19	43.17	428.00
Exchange Difference on FCTR	1.21	1.34	0.14	0.66	-	0.22	3.59
Additions	238.39	-	23.60	75.39	0.88	7.54	345.79
Disposals	(41.53)	-	-	(19.04)	-	(0.13)	(60.71)
As at March 31, 2024.	317.08	158.26	72.66	114.80	3.07	50.80	716.67
ACCUMULATED DEPRECIATION/ IMPAIRMENT							
As at April 1, 2023.	-	10.90	10.80	7.72	0.89	9.93	40.24
Exchange Difference on FCTR	-	-	-	-	-	-	-
Depreciation for the Period	-	6.00	8.89	8.39	0.75	7.27	31.30
Deductions/Adjustments during the period	-	-	-	(8.77)	-	(0.09)	(8.86)
As at March 31, 2024.	-	16.89	19.69	7.34	1.64	17.10	62.67
Net carrying value as at March 31, 2024	317.08	141.36	52.97	107.46	1.43	33.70	654.00

*Land includes Leasehold Land

Figures of Mehru Electricals & Mechanical Engineers Pvt Ltd are included in the current year's financials from its acquisition date i.e. 6th March 2025, and were not included in the previous year.

NOTES:

- On 1st April 2021. i.e. the date of transition to IND AS, the Company has opted to continue with carrying value of all property Plant & Equipments measured as per the previous GAAP and use that carrying value as the deemed cost of Property Plant and equipments.
- Property, Plant and Equipment pledged as security against borrowing of the Company.
Refer to Note 21 for Information on Property, Plant and Equipment pledge as security by the Company.
- No revaluation has been done during the year with respect to Property, Plant & Equipment.

Notes Forming Part of the Consolidated Financial Statement

- iv) No asset acquired or transferred as part of business acquisition.
v) Refer note no.2 for material accounting policy of Property, Plant & Equipment
vi). Title Deed not held in the name of the Company

Relevant Line Item in Balance Sheet	Description of item of Property	Gross Carrying value	Title Deed held in the name of	Whether Title Deed Holder is a promoter, director or relative of promoter*/director or employee of promoter/director	Property Held since which Date	Reasons for not being held in the name of the company
			NIL			

5. CAPITAL WORK IN PROGRESS

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Opening Capital Work-in-Progress	17.27	6.87
Add: Additions during the year	15.26	12.58
Less: Capitalised during the year	12.01	2.18
Less: Classified as Non Current asset Held for sale	4.39	-
Closing Capital Work-in-Progress	16.13	17.27
Projects Work In Progress		
- less than 1 year	16.13	12.58
- 1 year to 2 years	-	4.69
- 2 year to 3 years	-	-
- More than 3 years	-	-
	16.13	17.27

- 1.) The company annually modulates Project execution plans on the basis of various economic and regulatory developments and all the projects are executed as per the rolling annual plans and annual capex budget.
2.) There are no projects in progress whose completion is overdue or has exceeded its cost compared to its original plan.

5a. NON CURRENT ASSET HELD FOR SALE

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Non Current Asset Held for Sale	4.39	-
	4.39	-

During the year company committed to plan to sell Plant & machinery, accordingly the asset has been classified from capital work in progress to asset held for sales.

6. INTANGIBLE ASSETS.

(All amounts are in INR Millions unless otherwise stated)

Description	Software and Rights	Technical Know How	Product Development	Total
GROSS CARRYING VALUE (Cost or Deemed Cost)				
As at April 1, 2023	2.61	5.79	-	8.40
Additions	1.22	-	-	1.22
Deletions	-	-	-	-
Exchange Difference on FCTR	0.00	-	-	0.00
As at March 31, 2024.	3.84	5.79	-	9.63
Additions	1.10	0.90	61.63	63.63
Deletions	-	-	-	-
Exchange Difference on FCTR	-	-	1.46	1.46
As at March 31, 2025.	4.95	6.69	63.09	74.72

Notes Forming Part of the Consolidated Financial Statement

(All amounts are in INR Millions unless otherwise stated)

Description	Software and Rights	Technical Know How	Product Development	Total
ACCUMULATED AMORTISATION/IMPAIRMENT				
As at April 1, 2023	0.89	0.77	-	1.66
Amortisation for the Period	0.16	2.19	-	2.35
Deductions/Adjustments during the period	-	-	-	-
Exchange Difference on FCTR	-	-	-	-
As at March 31, 2024.	1.05	2.96	-	4.01
Amortisation for the Period	0.78	1.48	1.15	3.40
Deductions/Adjustments during the period	-	-	-	-
Exchange Difference on FCTR	-	-	0.23	0.23
As at March 31, 2025.	1.82	4.44	1.37	7.64
Net carrying value as at March 31, 2025.	3.12	2.25	61.71	67.09
Net carrying value as at March 31, 2024.	2.80	2.83	-	5.61

- On 1st April 2021. i.e. the date of transition to IND AS, the Company has opted to continue with carrying value of all property Plant & Equipments measured as per the previous GAAP and use that carrying value as the deemed cost of Property Plant and equipments.
- The company does not have any intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.
- No revaluation has been done during the year with respect to Intangible Asset.

7. NON CURRENT INVESTMENTS

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Investments carried at fair value through profit or loss		
Quoted		
(a) In equity shares*	11.33	-
(b) In units of mutual fund	2.11	1.64
Investments carried at Ammortised Cost Method		
Unquoted		
(a) In equity shares**	14.50	14.50
(b) In units of mutual fund	-	-
Less- Impairment during the year	-	-
TOTAL	27.94	16.14

*In equity shares of Suzlon Energy Ltd. Face Value ₹10/-share (No. of Shares - 2,00,001)

**Nebeskie Labs Private Limited Fv @ ₹10 (At Premium of ₹ 5,498 /share) (No. of Shares - 2633)

8. OTHER FINANCIAL ASSETS. (NON CURRENT)

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Security Deposits	14.20	1.55
Bank deposits with banks with maturity period of more than 12 months	194.08	437.07
TOTAL	208.27	438.62

9. OTHER NON CURRENT ASSETS*

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Capital advances	9.71	120.00
Prepaid Expenses	7.29	12.52
TOTAL	17.00	132.52

*Capital advances include advance given for Purchase of factory equipments & Machinery.

Notes Forming Part of the Consolidated Financial Statement

10. INVENTORIES*

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Raw materials	405.29	177.08
Stock in Trade	-	-
Stores, spares and packing materials	63.13	4.12
Work-in-progress	292.70	52.61
Finished goods	256.49	0.78
TOTAL	1,017.60	234.59

*Figures of Mehru Electricals & Mechanical Engineers Pvt Ltd are included in the current year's financials from its acquisition date i.e. 6th March 2025, and were not included in the previous year.

11. CURRENT INVESTMENTS

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Quoted		
(a) In equity shares	-	-
(b) In units of mutual fund	-	-
Unquoted		
(a) Exchange rate protected Deposits*	8.25	255.39
(b) Private Sector Bonds & Notes	8.52	74.00
(c) Other**	325.14	129.75
TOTAL	341.91	459.14

*includes interest accrued on exchange rate protected deposits.

** Other includes Investment in fund account, other securities, etc.

12. TRADE RECEIVABLES*

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Non Current		
Unsecured Considered Good	-	-
Less: Allowance for Credit impairment	-	-
	-	-
Current		
Unsecured Considered Good	1,374.27	797.50
Less: Allowance for Credit impairment	(3.09)	(2.72)
	1,371.18	794.78

Amount of Trade Receivables as at the year end reflects net of provisions.

Trade Receivables Ageing Schedule :

(All amounts are in INR Millions unless otherwise stated)

March 31, 2025	Outstanding for following period from due date of payment						Total
Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) (a) Undisputed Trade Receivables - Considered Good (Others)	847.56	368.93	71.49	23.86	10.16	6.73	1,328.72
(i) (b) Undisputed Trade Receivables - Considered Good (Related Party)	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - Which have Significant increase in credit Risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	18.04	26.96	45.00

Notes Forming Part of the Consolidated Financial Statement

(All amounts are in INR Millions unless otherwise stated)

March 31, 2025							
Particulars	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(v) Disputed Trade Receivables - Which have Significant increase in credit Risk	-	-	-	-	-	0.55	0.55
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
Sub Total	847.56	368.93	71.49	23.86	28.20	34.24	1,374.27
Less: Allowance for credit impaired/ Expected Credit Loss							3.09
Total							1,371.18

(All amounts are in INR Millions unless otherwise stated)

March 31, 2024							
Particulars	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) (a) Undisputed Trade Receivables - Considered Good (Others)	82.71	674.80	27.10	7.38	1.88	2.42	796.29
(i) (b) Undisputed Trade Receivables - Considered Good (Related Party)	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - Which have Significant increase in credit Risk	-	-	-	1.21	-	-	1.21
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have Significant increase in credit Risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
Sub Total	82.71	674.80	27.10	8.59	1.88	2.42	797.50
Less: Allowance for credit impaired/ Expected Credit Loss							2.72
Total							794.78

*Figures of Mehru Electricals & Mechanical Engineers Pvt Ltd are included in the current year's financials from its acquisition date i.e. 6th March 2025, and were not included in the previous year.

13. CASH AND CASH EQUIVALENTS

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Balances with banks	1,792.52	347.15
Deposits with bank -original maturity of less than 3 months	10.59	102.54
Cash on hand	5.77	23.40
TOTAL	1,808.88	473.09

Notes Forming Part of the Consolidated Financial Statement

14. BANK BALANCES AND OTHER CASH AND CASH EQUIVALENTS

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Fixed deposits with banks		
with original maturity for more than 3 months but less than 12 months	290.33	2.35
Margin money deposit	-	1.24
TOTAL	290.33	3.59

15. OTHER FINANCIAL ASSETS (CURRENT)#

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Contract Assets	81.08	156.54
(Unsecured, considered good)		
Interest Accrued But Not Due	0.27	0.01
Others Deposits*	34.43	-
Loan & Advances**	46.25	-
TOTAL	162.02	156.55

Figures of Mehru Electricals & Mechanical Engineers Pvt Ltd are included in the current year's financials from its acquisition date i.e. 6th March 2025, and were not included in the previous year.

* Other Deposits includes Earnest Money Deposit

** It includes receivable from erstwhile joint venture of Mehru Electrical & Mechanical Engineers Pvt. Ltd. (Massa Izolyator Mehru Pvt. Ltd.)

16. DEFERRED TAX

Deferred Tax

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Deferred Tax relates to the following		
Expense deductible in the future years	41.25	6.44
Remeasurement of Post employment benefit obligations	(0.76)	-
Provisions, allowances for doubtful receivables and others	0.25	-
Others	(1.12)	1.05
Total Deferred Tax Assets	39.62	7.50
Deferred Tax relates to the following		
Non Current Assets(Depreciation&Amortization)	15.68	1.36
Provisions, allowances for doubtful receivables and others	13.79	-
Remeasurement of Post employment benefit obligations	0.11	(0.11)
Acquisition at fair value	252.01	-
Others	2.75	0.03
Total Deferred Tax Liabilities	284.35	1.28

Movement in deferred tax liabilities/Assets

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Tax Income / (Expense) during the period recognised in Profit or loss	13.02	0.26
Tax Income / (Expense) during the period recognised due to acquisition at fair value	252.01	-
Tax Income / (Expense) during the period recognised in OCI	0.37	(4.57)
	264.67	4.82

The company off sets taxes and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and deferred tax asset and deferred tax liability relate to income tax levied by the same tax authority. In view of the same deferred tax Assets and deferred tax Liabilities are shown separately.

Notes Forming Part of the Consolidated Financial Statement

Major Components of Income Tax expense for the year ended March 31,2025, year ended March 31,2024 are as follows:

i. Income Tax recognised in profit or loss

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Current Income Tax	108.33	77.55
Income tax relating to earlier years	(0.21)	-
Deferred Tax	13.02	0.26
Income Tax expense recognised in profit or loss	121.14	77.81

ii. Income Tax recognised in OCI

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Net loss/(gain) on remeasurements of defined benefit plan	0.37	(4.57)
Income Tax expense recognised in OCI	0.37	(4.57)

Reconciliation of Tax expense and accounting profit multiplied by Income Tax rate for March 31,2025; March 31,2024

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Profit before Tax from continuing operation	1,122.64	632.55
Profit before Tax from discontinuing operation	-	-
Accounting Profit before Income Tax	1,122.64	632.55
Income Tax on Accounting Profit	282.55	159.20
Effect of Tax on		
Net Disallowed Depreciation	1.93	0.38
Non Deductible Expenses	3.37	3.88
Deductible Expenses	(13.95)	(66.10)
Unrecognised Deferred tax	13.05	0.87
Excess tax Provision	0.62	0.20
Last Year adjustments	-	0.08
Income tax relating to earlier years	(0.21)	-
Effect of Lower/Nil Tax Rate	(167.17)	(9.53)
Others	0.97	(11.17)
Tax expense recognised during the year	121.14	77.81
Effective Tax Rate	10.79%	12.30%

17. CURRENT TAX ASSETS (NET)

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Income Tax	19.00	23.13
TOTAL	19.00	23.13

18. OTHER CURRENT ASSETS

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
(Unsecured, considered good)		
Advance to Suppliers & Others	304.08	6.59
Loans and advances to employees	24.93	0.26
Balances with Government Authorities	38.78	65.44
Defined Benefit Obligation - Gratuity (Net)	3.44	2.50
Others *	64.49	97.08
TOTAL	435.72	171.87

*Others Includes- Prepaid expenses, Export Incentive & other receivable, etc.

Figures of Mehru Electricals & Mechanical Engineers Pvt Ltd are included in the current year's financials from its acquisition date i.e. 6th March 2025, and were not included in the previous year.

Notes Forming Part of the Consolidated Financial Statement

19. SHARE CAPITAL

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of shares	Amount	No. of shares	Amount
(a) Authorised				
Equity shares of par value Rs 1000/- each at the beginning of the year	-	-	1,500	1.50
Increase/(decrease) during the year	-	-	9,99,98,500	998.50
Equity shares of par value Rs 10/- each	10,00,00,000	1,000.00	-	-
	10,00,00,000	1,000.00	10,00,00,000	1,000.00
(b) Issued, subscribed and fully paid up				
Equity shares of par value Rs 10/- each at the beginning of the year	7,21,50,000	721.50	-	-
Shares issued during the year	52,94,100	52.94	-	-
At the end of the year	7,74,44,100	774.44	-	-
Equity shares of par value Rs 1000/- each at the beginning of the year	-	-	1,500	1.50
Share split during the year	-	-	1,48,500	-
Bonus Issued during the period	-	-	7,20,00,000	720.00
At the end of the year	7,74,44,100	774.44	7,21,50,000	721.50

Terms/rights attached to equity shares

As on March 31, 2025, the Company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share. The holders of Equity Shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes

i) The company, at its IPO Committee meeting held on 20th February, 2025 approved allotment of 2,02,04,600 equity shares (a fresh issue of 52,94,100 equity shares and offer for sale of 1,49,10,500 equity shares) of ₹10 each pursuant to Initial Public Offer at a securities premium of ₹ 415 per equity share under fresh issue. The Equity Shares of the Company were listed on BSE Limited ("BSE") and National Stock Exchange of India limited ("NSE") on 24th february, 2025.

(c) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2025 are NIL (previous period of five years ended March 31, 2024: 7,20,00,000).

(d) **Reconciliation of number of shares outstanding at the beginning and end of the year :**

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	7,21,50,000	721.50	1,500	1.50
Changes during the year	52,94,100	52.94	7,21,48,500	720.00
Outstanding at the end of the year	7,74,44,100	774.44	7,21,50,000	721.50

(e) **Shareholders holding more than 5 % of the equity shares in the Company :**

(All amounts are in INR Millions unless otherwise stated)

Name of shareholder	As at 31st March, 2025		As at 31st March, 2024	
	No. of shares held	% of holding	No. of shares held	% of holding
Mr. Bharanidharan	2,86,19,480	36.96%	2,86,19,480	39.67%
Mr. P. T. Pandyan	98,60,480	12.73%	2,86,19,480	39.67%
Mrs. Chitra Pandyan*	500	0.00%	1,49,11,040	20.67%
Bharanidharan Pandyan (Promoter Trust)	1,87,59,000	24.22%		
Total	5,72,39,460	73.91%	7,21,50,000	100%

*ceased to hold more than 5% of the shareholding as at 31st March, 2025

Notes Forming Part of the Consolidated Financial Statement

(f) Shares hold by the promoters at the end of the year

(All amounts are in INR Millions unless otherwise stated)

Name of Promoters	As at 31st March, 2025			As at 31st March, 2024		
	No. of shares held	% of total shares	% Change During the Year	No. of shares held	% of total shares	% Change During the Year
Mr. Bharanidharan	2,86,19,480	36.96%	0.00%	2,86,19,480	39.67%	0.00%
Mr. P. T. Pandyan	98,60,480	12.73%	-65.55%	2,86,19,480	39.67%	0.00%
Mrs. Chitra Pandyan	500	0.00%	-100.00%	1,49,11,040	20.67%	0.00%
Bharanidharan Pandyan (Promoter Trust)	1,87,59,000	24.22%	100.00%	-	-	-
Total	5,72,39,460	73.91%		7,21,50,000	100.00%	

20. OTHER EQUITY

Reserves and Surplus

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
General Reserve	32.40	32.40
Securities Premium Reserve	1,992.20	-
Retained Earnings	1,258.06	606.81
Legal Reserves	2.59	2.15
Capital Adjustment Difference Reserve	15.59	12.69
Other Comprehensive Income	168.56	156.32
	3,469.40	810.36

i. General Reserve

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Opening Balance	32.40	24.53
Add/(Less) : Transfer from retained earnings	-	-
Add/(Less) : Adjustment Gain/(Loss) of Right Issue	-	7.87
Closing Balance	32.40	32.40

ii. Securities Premium Reserve

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Opening Balance	-	-
Add : Securities Premium on issue of shares	2,197.05	-
Less : Share issue expense*	(204.86)	-
Closing Balance	1,992.20	-

* includes ROC expense for increase in share capital of ₹ 9.58 millions.

- During the year, share issue expenses aggregating ₹ 204.86 millions, incurred in connection with the issue of equity shares, were adjusted against the Securities Premium Reserve in accordance with the provisions of Section 52(2) of the Companies Act, 2013 & Ind AS 32.
- As per paragraph 37 of Ind AS 32, transaction costs that are directly attributable to the issue of an equity instrument are accounted for as deduction from equity.

iii. Retained Earnings

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Opening Balance	606.81	943.99
Add : Surplus as per Statement of Profit and Loss	1,001.49	554.74
Less : Share of Non Controlling Interest-P&L	(339.78)	(180.32)
Add : Adjustment for Deferred Tax	41.25	-

Notes Forming Part of the Consolidated Financial Statement

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Less : Other Fixes	(51.70)	(216.79)
Add/(Less) : Adjustment of Gain/Loss of Right Issue	-	225.18
Less : Bonus Issue	-	(720.00)
Closing Balance	1,258.06	606.81

iv. Legal Reserves

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Opening Balance	2.15	2.15
Add/(Less) : Adjustment	0.44	-
Closing Balance	2.59	2.15

v. Capital Adjustment Difference Reserve

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Opening Balance	12.69	12.69
Add/(Less) : Adjustment	2.90	-
Closing Balance	15.59	12.69

vi. Non Controlling Interest

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Opening for the year	371.39	635.57
Add / (Less) : Share in Profit/Loss	339.78	180.32
Add / (Less) : Other Fixes	(52.05)	(218.26)
Add / (Less) : Share in Other Comprehensive Income	12.17	6.80
Add/(Less) : Legal reserve	0.42	-
Add/(Less) : Capital Adjustment difference Reserve	2.79	-
Add : Increase in Non-controlling interest due to Acquisition	1,018.82	-
Add / (Less) : Adjustment of Gain/Loss on Right Issue	-	(233.05)
Closing Balance	1,693.31	371.39

vii. Other Comprehensive Income

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Defined Benefit Obligation - Gratuity		
Opening Balance	5.36	(1.60)
Remeasurement of defined employee benefit	(0.55)	6.96
Closing Balance	4.80	5.36

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Foreign Currency Translation Reserve		
Opening Balance	150.96	137.73
Gain/(Loss) for the period	12.79	13.23
Closing Balance	163.75	150.96

Note: Figures have been rearranged and regrouped wherever practicable and considered necessary.

Nature and purpose of reserve:

General reserve:- General Reserve is created by the company by appropriating the balance of Retained Earnings. General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Notes Forming Part of the Consolidated Financial Statement

Retained earnings:- Retained earnings is a free reserve. This is the accumulated profit earned by the Company till date, less transfer to general reserve, dividend and other distributions made to the shareholders.

Securities premium:- Securities premium represents the premium received on the issue of shares. The reserve is to be utilised in accordance with the provisions of Companies Act, 2013.

Legal Reserve:- The Company's subsidiary incorporated in Turkey is subject to the legal reserve requirements as per the Turkish Commercial Code (TCC).

Capital Adjustment Difference Reserve:- Capital Adjustment Difference Reserve represents the difference arising from inflation adjustments to the company's capital or revaluation of capital as per Turkish regulations. This reserve is reflected under equity and is non-distributable, aimed at preserving the real value of the company's capital in an inflationary environment.

Other Fixes: Due to the application of Ind AS 29, financial statements have been adjusted for the impact of hyperinflation, with inflation-adjusted gain/loss from revaluation of non-monetary items recognized in the income statement and the corresponding effect shown as other fixes in retained earnings

21. BORROWINGS

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Non Current Borrowings		
Secured		
Term Loans from Banks	6.56	45.17
Unsecured		
Loans from Banks and other Financial Institutions	-	-
(A)	6.56	45.17
Less : Current Maturities of Non Current Borrowings	3.40	32.16
(B)	3.40	32.16
Total (A)-(B)	3.16	13.01
Current Borrowings		
Secured		
Current Maturities of Non Current Borrowings	3.40	32.16
(a) Loans repayable on Demand from banks		
1. Cash Credit	51.72	151.62
2. Export Packing Credit	16.91	67.89
3. Other Loans	12.18	118.11
Unsecured		
Other Loans	1.60	-
TOTAL	85.80	369.78

The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. The quarterly returns filed by the Company with such banks or financial institutions are in agreement with the Books of Account of the Company of the respective quarters.

Notes Forming Part of the Consolidated Financial Statement

21. BORROWINGS

A : SECURED LOANS FROM BANKS AND FINANCIAL INSTITUTIONS

Sr. No	Particulars	As at March 31, 2025		As at March 31, 2024		Sanctioned Amount	Rate of Interest (%)	Security	Repayment Terms (ROI/ Commission)
		Non Current	Current	Non Current	Current				
1	Axis Bank -CC	-	51.72	-	151.62	150.00	8.50%	Hypothecation of i) Entire Current Assets ii) Movable Property, Plant and Machinery	Payable on Demand
2	Vehicle loan								
	BMW India Financial Services Pvt Ltd.	2.01	1.28	-	-	-	8.85%	Secured Against respective vehicles	Payable on Demand
	HDFC BANK LTD	0.12	0.19	-	-	-	7.65%		
	HDFC BANK LTD	-	0.65	-	-	-	7.90%		
	ICICI Bank LTD	1.03	1.28	-	-	-	7.50%		
3	Axis Bank -Export Packing Credit	-	16.91	-	67.89	100.00	8.50%	Hypothecation of i) Entire Current Assets ii) Movable Property, Plant and Machinery	Payable on Demand
4	Ziraat Bank -Cash Credit	-	12.18	-	118.11	607.10	7.21%	Personal Guarantee of Directors	TLREF + 2 and 6.99% payable at monthly intervals.
	Total	3.16	84.20	-	337.62				

The company has taken working capital loans. The security details are as follows:

Collateral Security for all Facilities

Industrial Property Plot No. N-17/3, Sangli Miraj Industrial Area, Tal. Miraj, Distr. Sangli, MIDC Kupwad, MIDC Sangli, Maharashtra
 Industrial Property Plot No. N-17/5, Sangli Miraj Industrial Area, Tal. Miraj, Distr. Sangli, MIDC Kupwad, MIDC Sangli, Maharashtra
 Industrial Property Plot No. N-17/2, Sangli Miraj Industrial Area, Tal. Miraj, Distr. Sangli, MIDC Kupwad, MIDC Sangli, Maharashtra
 Industrial Property situated at Plot No E-1247, RIICO Industrial Area, Phase - 1, Ext. Ghatal, Bhiwadi (Rajasthan)
 Industrial Property Plot No. E-373, RIICO Industrial Area, Bhiwadi -301019, Rajasthan
 Industrial Property Plot No. SP2-180, RIICO Industrial Area Kehrani, Bhiwadi - 301019, Rajasthan

Personal Guarantee of Directors

Bharanidharan Pandyan
 Chitra Pandyan
 Thalavaidurai Pandyan
 Alper Terciyarli
 Alper Cetin

Notes Forming Part of the Consolidated Financial Statement

B : UNSECURED TERM LOANS FROM BANKS, FINANCIAL INSTITUTIONS, DIRECTORS & THERE RELATIVES

Sr. No	Particulars	As at March 31, 2025		As at March 31, 2024	
		Non Current	Current	Non Current	Current
1	Loan from Banks	-	1.60	13.01	32.16
	TOTAL	-	1.60	13.01	32.16

*Details of Personal Guarantees

Personal Guarantees - Directors and KMP

Thalavaidurai Pandyan
 Bharanidharan Pandyan S/o Thalavaidurai Pandyan
 Chitra Pandyan W/o Bharanidharan Pandyan
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Personal Guarantees - Relative of Directors and KMP

NIL

Personal Guarantees - Others

NIL

21(a). Lease Liability

Particulars	March 31, 2025	March 31, 2024
Non Current		
	-	-
Lease Liabilities	-	-
TOTAL	-	-
Current		
Lease Liabilities	-	-
	-	-
TOTAL	-	-

22. TRADE PAYABLES

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Current		
Trade Payables to Micro enterprises and Small Enterprise	106.16	19.02
Trade Payable to Others*	812.87	619.89
TOTAL	919.03	638.91

* Includes payable to related party of ₹ 0.11 Millions

a. Disclosures required under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006.- Refer Note No. 43.

Trade payables Due for Payments :

Trade Payables Ageing Schedule : March 31,2025

(All amounts are in INR Millions unless otherwise stated)

Particulars	Not due	Outstanding for the Following Periods from due date of Payments				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	81.55	24.46	-	-	0.11	106.12
(ii) Others	153.57	654.16	1.14	0.50	2.26	811.63
(iii) Disputed Dues - MSME	-	0.04	-	-	-	0.04
(iv) Disputed Dues Others	-	0.03	-	-	1.21	1.24
TOTAL	235.12	678.70	1.14	0.50	3.57	919.03

Notes Forming Part of the Consolidated Financial Statement

Trade Payables Ageing Schedule : March 31,2024

(All amounts are in INR Millions unless otherwise stated)

Particulars	Not due	Outstanding for the Following Periods from due date of Payments				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	15.05	3.97	0.00	-	-	19.02
(ii) Others	98.32	516.70	0.25	2.40	1.19	618.85
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues Others	-	1.04	-	-	-	1.04
TOTAL	113.36	521.71	0.25	2.40	1.19	638.91

Figures of Mehru Electricals & Mechanical Engineers Pvt Ltd are included in the current year's financials from its acquisition date i.e. 6th March 2025, and were not included in the previous year.

23. OTHER FINANCIAL LIABILITIES

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Non Current		
Provision for employee benefits	39.85	18.57
Total	39.85	18.57
Current		
Contract Liabilities	178.29	385.92
Other Payable*	30.42	2.17
TOTAL	208.72	388.08

*Includes Amount payable to Employees & Directors.

24. PROVISIONS

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Non Current		
Leave Encashment	0.42	-
TOTAL	0.42	-
Current		
Other Provisions	2.56	9.58
Provision for Employee Benefit	12.20	16.20
Leave Encashment	0.06	-
TOTAL	14.82	25.79

25. OTHER CURRENT LIABILITIES

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Contract Liabilities (Advance received from Customers)	577.60	175.32
Statutory Remittances (TDS,GST,PF,ESIC etc.)	34.10	28.94
Salary and Wages-Payable	4.20	21.24
#Other Current Liabilities	31.37	4.67
TOTAL	647.28	230.17

Other Current Liabilities Includes amount payable to director (Offer For Sale) of ₹ 29.89 millions (During the Initial Public Offering (IPO) under the Offer for Sale, the proceeds from the sale of shares were received by the company on behalf of Mrs. Chitra Pandya.)

Notes Forming Part of the Consolidated Financial Statement

26. REVENUE FROM OPERATIONS

(All amounts are in INR Millions unless otherwise stated)

Particulars	For the year ended	
	2024-25	2023-24
Revenue from contracts with customers (A)	3,307.39	2,921.65
i) India		
Sale of products	1,038.15	484.21
Sale of services	19.42	10.38
ii) Outside India*		
Sale of products	2,217.84	2,427.06
Sale of Traded goods	31.98	-
Other operating revenue (B)	59.07	96.55
Scrap Sale	1.60	0.83
Export Incentives	20.77	12.59
Others**	36.70	83.13
Total Revenue from operations (A+B)	3,366.46	3,018.20

For Reconciliation of revenue recognised with contracted price Refer Note 37.

*Outside India Revenue represents sales generated by exports and sales generated by Step Down Subsidiary.

**Others include Packaging, Freight, Gain on foreign exchange fluctuation, Incentive, Testing, Inspection, Service & Repairs etc.

27. OTHER INCOME

(All amounts are in INR Millions unless otherwise stated)

Particulars	For the year ended	
	2024-25	2023-24
Interest Income from:		
Deposits with banks	120.90	111.47
Others*	234.07	97.62
Other Non- Operating Income		
Gain/(Loss) on Foreign Exchange	14.27	72.37
Rental Income	0.23	0.37
Sundry Balance W/off	0.18	2.74
Gain on Sale of Securities	57.84	0.21
Net Monetary (Gain) / Loss	128.31	-
Other Income**	1.21	12.94
TOTAL	557.01	297.71

*Others include Finance Interest income

**Others include Insurance loss reflection Income, Bank expense refunds, Miscellaneous, etc.

28. COST OF MATERIAL CONSUMED

(All amounts are in INR Millions unless otherwise stated)

Particulars	For the year ended	
	2024-25	2023-24
Stock at the Beginning of the Year	514.98	471.45
Add: Purchases	1,973.61	1,760.58
Less: Stock at the end of the Year	409.31	177.08
TOTAL	2,079.28	2,054.94

Figures of Mehru Electricals & Mechanical Engineers Pvt Ltd are included in the current year's financials from its acquisition date i.e. 6th March 2025, and were not included in the previous year.

Notes Forming Part of the Consolidated Financial Statement

28a. PURCHASES OF TRADED GOODS

(All amounts are in INR Millions unless otherwise stated)

Particulars	For the year ended	
	2024-25	2023-24
Purchases of Traded Goods	23.21	
	23.21	-

29. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

(All amounts are in INR Millions unless otherwise stated)

Particulars	For the year ended	
	2024-25	2023-24
Inventories at the beginning of the year		
Finished Goods	298.58	5.92
Work in Progress	208.44	0.59
Stock in Trade	5.28	0.77
Total (A)	512.30	7.28
Less: Inventories at the end of the year		
Finished Goods	231.39	0.78
Work in Progress	82.52	52.61
Stock in Trade	293.23	4.12
Waste & Scraps	1.16	
Total (B)	608.30	57.51
Net Decrease /(Increase) in Inventories (A-B)	96.00	50.24

Figures of Mehru Electricals & Mechanical Engineers Pvt Ltd are included in the current year's financials from its acquisition date i.e. 6th March 2025, and were not included in the previous year.

30. EMPLOYEE BENEFIT EXPENSE

(All amounts are in INR Millions unless otherwise stated)

Particulars	For the year ended	
	2024-25	2023-24
Directors Remuneration & other benefits	69.79	65.65
Salaries, wages, bonus, etc.	249.99	218.56
Contribution to provident and other funds	6.20	4.01
Defined Benefit Obligation - Gratuity expense	3.70	1.88
Staff & Labour welfare expenses	7.08	13.09
TOTAL	336.76	303.18

31. FINANCE COST

(All amounts are in INR Millions unless otherwise stated)

Particulars	For the year ended	
	2024-25	2023-24
1. Interest on Term Loans:	0.02	0.02
2. Interest on Working Capital Loans	19.77	15.51
3. Other Interest & Bank Charges		
Bank commission & Other Charges	2.65	2.69
Bank Guarantee Charges	1.78	1.57
Option Booking Premium	-	0.56
Other Finance Cost*	0.16	2.59
TOTAL	24.39	22.93

* Other Finance Cost includes interest payable to Director, Relative & Interest on Taxes.

Notes Forming Part of the Consolidated Financial Statement

32. DEPRECIATION AND AMORTISATION EXPENSE

(All amounts are in INR Millions unless otherwise stated)

Particulars	For the year ended	
	2024-25	2023-24
Depreciation of property, plant and equipment	43.64	31.30
Amortisation of intangible assets	3.40	2.35
TOTAL	47.04	33.65

33. OTHER EXPENSES

(All amounts are in INR Millions unless otherwise stated)

Particulars	For the year ended	
	2024-25	2023-24
Power and fuel	11.48	6.66
Repairs and maintenance		
- Plant and machinery	4.52	2.54
- Building	2.17	7.10
- Others	6.49	1.57
Rent	2.06	1.90
Rates and taxes	2.12	3.83
Factory and other manufacturing expenses	8.59	8.99
Insurance	3.76	3.80
Advertisement and sales promotion	29.80	8.21
Freight Inward	4.42	2.96
Freight outward and packing expenses	28.51	9.96
Travelling, conveyance and vehicle expenses	33.57	13.40
Legal and professional charges	35.34	9.87
Office Expenses	3.91	4.08
Commission	11.58	3.20
Net Monetary (Gain) /Loss	-	25.93
Software Expenses	1.35	0.05
Corporate social responsibility expenses	4.16	4.53
Allowance/ (reversal) for doubtful debts and advances, net	4.37	3.05
Donations	0.05	0.71
Balance Written off	0.50	-
Security expenses	4.91	3.55
Roc Fees	0.27	0.01
Increase in Share Capital - Exp	0.25	-
Miscellaneous expenses	18.22	37.50
Research and development expenses	143.08	154.38
Expected Credit Loss	-	1.51
Auditors Remuneration (A)	4.43	2.27
TOTAL	369.91	321.55

(A) Auditors Remuneration

(All amounts are in INR Millions unless otherwise stated)

Particulars	For the year ended	
	2024-25	2023-24
Auditors Fees	4.43	2.27
TOTAL	4.43	2.27

Notes Forming Part of the Consolidated Financial Statement

34. Exceptional Items

(All amounts are in INR Millions unless otherwise stated)

Particulars	For the year ended	
	2024-25	2023-24
(Profit)/Loss on sale of Assets	16.25	(2.66)
TOTAL	16.25	(2.66)

35. EARNINGS PER SHARE (in INR per share)

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
(a) Basic Earnings per Share		
Basic earning per share attributable to the equity shareholders of the company	9.10	5.19
Total Basic earning per share attributable to the equity shareholders of the company	9.10	5.19
(b) Diluted earning per share		
Diluted earning per share attributable to the equity shareholders of the company	9.10	5.19
Total Diluted earning per share attributable to the equity shareholders of the company	9.10	5.19
(c) Par value per share	10.00	10.00
(d) Reconciliation of earnings used in calculating earnings per share		
Basic earning per share		
Profit attributable to equity share holders of the company used in calculating basic earning per share	661.71	374.44
Profit attributable to equity share holders of the company used in calculating basic earning per share	661.71	374.44
Diluted earning per share		
Profit attributable to equity share holders of the company used in calculating basic earning per share	661.71	374.44
Profit attributable to equity share holders of the company used in calculating Diluted earning per share	661.71	374.44
(e) Weighted average number of shares used as the denominator		
Weighted average number of shares used as the denominator in calculating basic earning per share	7,27,30,176	7,21,50,000
Adjustment for calculation of diluted earning per share	-	-
Weighted average number of shares used as the denominator in calculating diluted earning per share	7,27,30,176.00	7,21,50,000.00

The Company has offered through the Initial Public Offer (IPO) with a fresh issue of 52,94,100 equity shares and offer for sale of 1,49,10,500 equity shares having face value of ₹10/-each at an issue price of ₹425/- per equity share. These equity shares were allotted/allocated on 20th February, 2025 and listed on The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 24th February, 2025.

36. EMPLOYEE BENEFIT OBLIGATION

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025			March 31, 2024		
	Current	Non Current	Total	Current	Non Current	Total
Defined Benefit Obligation - Gratuity	-	9.46	9.46	-	8.03	8.03
Leave encashment	0.06	0.42	0.48	-	-	-
Total Employee Benefit Obligation	0.06	9.88	9.94	-	8.03	8.03

Notes Forming Part of the Consolidated Financial Statement

(i) Leave Obligations

The leave obligations cover the company's liability for sick and earned leaves.

(ii) Post Employment Obligations

a) Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a funded plan and the company makes contribution to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

All plan assets are maintained in a trust fund managed by a public sector insurer viz; LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years.

The amount recognised in the Balance Sheet and the movement in the net defined benefit obligation over the period are as follows

(All amounts are in INR Millions unless otherwise stated)

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
As at April 1, 2023	6.85	9.50	(2.65)
Current Service Cost	1.06	-	1.06
Interest expense/(Income)	0.50	(0.72)	1.22
Total Amount recognised in Profit or loss	8.41	10.22	(1.80)
Remeasurements			
(Gains)/Loss from change in financial assumptions	-	-	-
Experience (gains)/losses	(0.32)	(0.02)	(0.30)
Total Amount recognised in Other Comprehensive Income	(0.32)	(0.02)	(0.30)
Contribution by Employer	-	0.42	(0.42)
Benefit Paid	(0.07)	(0.07)	-
Total Amount recognised in Profit or loss	-	(0.02)	0.02
As at March 31, 2024	8.03	10.53	(2.50)

(All amounts are in INR Millions unless otherwise stated)

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
As at April 1, 2024	8.03	10.53	(2.50)
Current Service Cost	1.19	-	1.19
Interest expense/(Income)	0.58	(0.81)	1.39
Total Amount recognised in Profit or loss	9.80	11.34	(1.54)
Remeasurements			
(Gains)/Loss from change in financial assumptions	-	-	-
Experience (gains)/losses	(0.26)	0.02	(0.28)
Total Amount recognised in Other Comprehensive Income	(0.26)	0.02	(0.28)
Contribution by Employer	-	1.66	(1.66)
Benefit Paid	(0.09)	(0.09)	-
Total Amount recognised in Profit or loss	-	-	-
As at March 31, 2025	9.46	11.28	(1.82)

Notes Forming Part of the Consolidated Financial Statement

The net Liability disclosed above relates to funded and unfunded plans are as follows:

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Present value of Funded obligation	9.46	8.03
Fair Value of Plan Assets	11.28	10.53
Deficit of Funded Plan	(1.82)	(2.50)
Unfunded Plans	-	-
Deficit of Gratuity Plan	(1.82)	(2.50)

The Significant Actuarial Assumptions were as follows:

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Mortality	IALM(2012-14) ult	
Discount rate	6.70%	7.30%
Expected return on Plan Assets	7.20%	7.40%
Salary growth rate	5.00%	5.00%
Expected Average Remaining Service	8.68	7.74
Retirement Age	58	58
Employee Attrition rate	10.00%	10.00%

Sensitivity Analysis

(All amounts are in INR Millions unless otherwise stated)

Particulars	DR : DISCOUNT RATE		ER : SALARY ESCALATION RATE	
	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%
PVOC				
March 31, 2024	7.59	8.53	8.46	7.64
March 31, 2025	8.92	10.07	9.99	8.98

Effectuated Payout

(All amounts are in INR Millions unless otherwise stated)

Particulars	Expected Payout First	Expected Payout Second	Expected Payout Third	Expected Payout Fourth	Expected Payout Fifth	Expected Payout Six to Ten Years
March 31, 2024	1.74	0.90	1.00	1.10	1.03	6.60
March 31, 2025	1.99	1.07	1.18	1.10	1.37	7.96

Asset Liability Comparison

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
PVO at the end of the period	9.46	8.03
Plan Assets	12.89	10.53
Surplus/(Deficit)	3.44	2.50
Experience adjustments on Plan Assets	-	(0.02)

The average duration of the defined benefit plan obligation at the end of the reporting period is 8.95 years (March 31, 2024)

The average duration of the defined benefit plan obligation at the end of the reporting period is 10.34 years (March 31, 2025)

b) Leave encashment

The company provides for leave encashment for employees in India as per Ind AS 19. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of leave encashment payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days (Maximum 40 days) salary multiplied by number of years of service.

Notes Forming Part of the Consolidated Financial Statement

The leave encashment plan is a funded plan and the company makes contribution to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected leave encashment payments.

The amount recognised in the Balance Sheet and the movement in the net defined benefit obligation over the period are as follows:

(All amounts are in INR Millions unless otherwise stated)

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
As on March 31, 2025	0.48	-	0.48
As on March 31, 2024	-	-	-

Present Value of Obligation

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Current liability	0.06	-
Non-Current Liability	0.42	-
Present Value Obligation as at end	0.48	-

The Significant Actuarial Assumptions were as follows:

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Mortality	IALM(2012-14) ult	0
Discount rate	6.89%	0.00%
Salary increase rate	7.00%	0.00%
Expected Average Remaining Service(Years)	12.22	-
Retirement Age(Years)	58.00	-
Employee Attrition rate	5.00%	0.00%

Figures of Mehru Electricals & Mechanical Engineers Pvt Ltd are included in the current year's financials from its acquisition date i.e. 6th March 2025, and were not included in the previous year.

37. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 115, REVENUE FROM CONTRACTS WITH CUSTOMERS.

1. Disaggregation of Revenue

The company believes that the information provided under note no 26. Revenue from operations sufficient to meet the disclosure objectives with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.

2. Reconciliation of the amount for the revenue recognised in the statement of Profit or Loss with the contracted price.

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Revenue as per contracted price	3,366.46	3,018.20
Adjustments	-	-
Revenue from contracts with customers	3,366.46	3,018.20

3. Contract Balances

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Contract Assets	81.08	156.54
Contract Liabilities	(178.29)	(385.92)
TOTAL	(97.22)	(229.38)

Notes Forming Part of the Consolidated Financial Statement

4. Movement of Contract Assets

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Opening Balance	156.54	48.08
Addition for the year	78.87	156.54
Less : Recognised During the year	154.33	(48.08)
Closing Balance	81.08	156.54

38. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS-24- Related Party Disclosures

(All amounts are in INR Millions unless otherwise stated)

Name of Related Party	Nature of Relationship
Quality Power Engineering Project Private Limited, India	Wholly owned Subsidiary
S & S Transformers and Accessories Private Limited, India	Wholly owned Subsidiary
"Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi), Turkey"	Step Down Subsidiary
Mehru Electrical & Mechanical Engineers Pvt. Ltd., India*(w.e.f. 6th March 2025)	Subsidiary
Mr. Thalavaidurai Pandyan (Chairman Managing Director)	Key Management Personnel & their relatives/HUF (also exercising significant influence over the company)
Mr. Bharanidharan Pandyan (Joint Managing Director)	
Mrs. Chitra Pandyan (Executive Whole Time Director)	
Onur Emre TERCİYANLI (Director)	
Alper TERCİYANLI (Director)	
Alper ÇETİN (Director)	
Mrs. Nivetha Pandyan (Relative of Director)	
Mr. Mahesh Vitthal Saralaya (Whole Time Director)	
Mr. Rajendra Iyer (Independent Director)	
Mr. Shailesh Kumar Mishra (Independent Director)	
Mr. Sadayandi Ramesh (Independent Director)	
Mrs. Pournima Kulkarni (Independent Director)	
Mr. Rajesh Jayaraman (Chief Financial Officer)	
Mr. Deepak Suryavanshi (Company Secretary)	
Mr. Tushar Deshpande (Company Secretary w.e.f. 15/02/2024 till 02/05/2024)	

(ii) Transactions with Related Parties

The following transactions occurred with related parties

(All amounts are in INR Millions unless otherwise stated)

Name of Transaction from	Nature of Relationship	Name of Transactions by	Nature of Transactions	March 31, 2025	March 31, 2024
Mr. Thalavaidurai Pandyan	Key Management Personnel	Quality Power Electrical Equipment Ltd.	Salary and Benefits	20.70	20.70
Mr. Bharanidharan Pandyan	Key Management Personnel	Quality Power Electrical Equipment Ltd.	Salary and Benefits	20.70	20.70
Mrs. Chitra Pandyan	Key Management Personnel	Quality Power Electrical Equipment Ltd.	Salary and Benefits	4.95	4.95
Mrs. Nivetha Pandyan	Relative of KMP	Quality Power Electrical Equipment Ltd.	Salary and Benefits	8.64	8.64
Mr. Mahesh Saralaya	Key Management Personnel	Quality Power Electrical Equipment Ltd.	Salary and Benefits	1.15	1.06

Notes Forming Part of the Consolidated Financial Statement

(All amounts are in INR Millions unless otherwise stated)

Name of Transaction from	Nature of Relationship	Name of Transactions by	Nature of Transactions	March 31, 2025	March 31, 2024
Mr. Rajesh Jayaraman	Key Management Personnel	Quality Power Electrical Equipment Ltd.	Salary and Benefits	2.20	0.34
Mr. Tushar Deshpande	Key Management Personnel	Quality Power Electrical Equipment Ltd.	Salary and Benefits	0.09	0.07
Mr. Deepak Suryavanshi	Key Management Personnel	Quality Power Electrical Equipment Ltd.	Salary and Benefits	0.68	-
Mr. Rajendra Sheshadri Iyer	Independent Director	Quality Power Electrical Equipment Ltd.	Professional Fees/ Commission	4.40	-
Mr. Shailesh Kumar Mishra	Independent Director	Quality Power Electrical Equipment Ltd.	Professional Fees/ Commission	2.40	-
Mr. Rajendra Sheshadri Iyer	Independent Director	Quality Power Electrical Equipment Ltd.	Sitting Fees	0.63	-
Mr. Shailesh Kumar Mishra	Independent Director	Quality Power Electrical Equipment Ltd.	Sitting Fees	0.58	-
Mr. Pournima Suresh Kulkarni	Independent Director	Quality Power Electrical Equipment Ltd.	Sitting Fees	0.50	-
Mr. Sadayandi Ramesh	Independent Director	Quality Power Electrical Equipment Ltd.	Sitting Fees	0.05	-
Mr. Thalavaidurai Pandyan	Key Management Personnel	Quality Power Electrical Equipment Ltd.	Interest on Unsecured Loans	-	0.22
Mr. Bharanidharan Pandyan	Key Management Personnel	Quality Power Electrical Equipment Ltd.	Interest on Unsecured Loans	-	0.87
Mrs. Chitra Pandyan	Key Management Personnel	Quality Power Electrical Equipment Ltd.	Interest on Unsecured Loans	-	1.18
Mrs. Nivetha Bharanidharan	Relative of KMP	Quality Power Electrical Equipment Ltd.	Interest on Unsecured Loans	-	0.26
Mrs. Chitra Pandyan	Key Management Personnel	Quality Power Electrical Equipment Ltd.	Guest House Rent	-	0.12
Mr. Bharanidharan Pandyan	Key Management Personnel	Quality Power Electrical Equipment Ltd.	Rent for Delhi Office	1.20	1.20
Quality Power Engineering Projects Pvt Ltd	Wholly owned Subsidiary	Quality Power Electrical Equipment Ltd.	Rental Income	6.00	6.00
Quality Power Engineering Projects Pvt Ltd	Wholly owned Subsidiary	Quality Power Electrical Equipment Ltd.	Rent on Machinery	2.40	2.40
Quality Power Engineering Projects Pvt Ltd	Wholly owned Subsidiary	Quality Power Engineering Project Pvt. Ltd.	Purchases (Manpower Service Charges)	7.20	7.20
Quality Power Engineering Projects Pvt Ltd	Wholly owned Subsidiary	Quality Power Engineering Project Pvt. Ltd.	Purchases	123.97	115.00
Quality Power Engineering Projects Pvt Ltd	Wholly owned Subsidiary	Quality Power Engineering Project Pvt. Ltd.	Sales	0.39	4.64
S & S Transformers and Accessories Pvt. Ltd	Wholly owned Subsidiary	Quality Power Engineering Project Pvt. Ltd.	Purchases (Asset)	-	-
S & S Transformers and Accessories Pvt. Ltd	Wholly owned Subsidiary	Quality Power Engineering Project Pvt. Ltd.	Purchases (Raw Material)	-	-
Quality Power Engineering Projects Pvt Ltd	Wholly owned Subsidiary	Quality Power Engineering Project Pvt. Ltd.	Machinery Rent Income	0.60	0.15
S & S Transformers and Accessories Pvt. Ltd	Wholly owned Subsidiary	Quality Power Engineering Project Pvt. Ltd.	Advances Given/ (Taken)	-	-
S & S Transformers and Accessories Pvt. Ltd	Wholly owned Subsidiary	Quality Power Engineering Project Pvt. Ltd.	Royalty	1.20	1.20

Notes Forming Part of the Consolidated Financial Statement

(All amounts are in INR Millions unless otherwise stated)

Name of Transaction from	Nature of Relationship	Name of Transactions by	Nature of Transactions	March 31, 2025	March 31, 2024
Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Step Down Subsidiary	Quality Power Electrical Equipment Ltd.	Sales	53.55	35.54
Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Step Down Subsidiary	Quality Power Engineering Project Pvt. Ltd.	Purchase	-	1.91
Onur Emre TERCİYANLI	Key Management Personnel	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Director, salary, remunerations	22.68	9.95
Onur Emre TERCİYANLI	Key Management Personnel	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Work Advance	0.87	144.86
Alper TERCİYANLI	Key Management Personnel	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Other receivable	2.35	88.37
Alper ÇETİN	Key Management Personnel	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Other Payable	11.48	48.46
Alper ÇETİN	Key Management Personnel	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Director, salary, remunerations	27.23	17.56
Alper ÇETİN	Key Management Personnel	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Work Advance	0.05	-
Alper ÇETİN	Key Management Personnel	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	receivable arising from partnership relationship	12.21	-

Notes Forming Part of the Consolidated Financial Statement

(iii) Outstanding balances payable to:

(All amounts are in INR Millions unless otherwise stated)

Name of Transaction from	Name of Transactions by	Nature of Transaction	March 31, 2025	March 31, 2024
QUALITY POWER ENGINEERING PROJECTS PVT LTD	Quality Power Electrical Equipment Ltd.	Trade Payable	4.58	3.72
Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Quality Power Electrical Equipment Ltd.	Trade Receivables	43.17	9.24
Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Quality Power Electrical Equipment Ltd.	Trade Payable	-	1.89
Mr.Bharanidharan Pandyan	Quality Power Electrical Equipment Ltd.	Rent Payable	0.11	0.11
QUALITY POWER ENGINEERING PROJECTS PVT LTD	Quality Power Electrical Equipment Ltd.	Rent Receivable	-	1.02
S & S Transformers and Accessories Pvt. Ltd	Quality Power Electrical Equipment Ltd.	Trade Payable	-	-
S & S Transformers and Accessories Pvt. Ltd	Quality Power Electrical Equipment Ltd.	Advance (Receivable)/Payable	2.55	2.87
Mr. Thalavaidurai Pandyan	Quality Power Electrical Equipment Ltd.	Loan	-	0.19
Mr.Bharanidharan Pandyan	Quality Power Electrical Equipment Ltd.	Loan	-	0.79
Mrs. Chitra Pandyan	Quality Power Electrical Equipment Ltd.	Loan	-	0.95
Mrs. Nivetha Bharanidharan	Quality Power Electrical Equipment Ltd.	Loan	-	0.23
Mrs. Chitra Pandyan**	Quality Power Electrical Equipment Ltd.	Payable	29.89	-
Mr.Rajendra Sheshadri Iyer	Quality Power Electrical Equipment Ltd.	Commission Payable	1.19	-
Mr.Shailesh Kumar Mishra	Quality Power Electrical Equipment Ltd.	Commission Payable	0.54	-
Mr. Thalavaidurai Pandyan	Quality Power Engineering Project Pvt. Ltd.	Salary Payable	-	3.86
Mr.Bharanidharan Pandyan	Quality Power Engineering Project Pvt. Ltd.	Salary Payable	0.17	3.98
Mrs Chitra Pandyan	Quality Power Engineering Project Pvt. Ltd.	Salary Payable	0.41	1.12
Mrs.Nivetha Bharanidharan	Quality Power Engineering Project Pvt. Ltd.	Salary Payable	0.40	1.57
Onur Emre TERCİYANLI	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Director, salary, remunerations	0.38	0.78
Alper Terciyanlı	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Other Receivable	0.30	2.69
Alper ÇETİN	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Other Payable	0.49	0.21
Alper ÇETİN	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Other Receivable	0.48	0.13
Alper ÇETİN	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Remunerations	-	1.42

*Out of the total agreed consideration of ₹1200 million for acquiring 51% shareholding in Mehru Electricals & Mechanical Engineers Pvt. Ltd., an advance of ₹30 millions was paid on 23/05/2024 and balance amount of ₹1170/- millions was paid on 06/03/2025.

**During the Initial Public Offering (IPO) under the Offer for Sale, the proceeds from the sale of shares were received by the company on behalf of Mrs. Chitra Pandya.

Notes Forming Part of the Consolidated Financial Statement

(iv) Outstanding balances arising from advance sales/purchases of goods and services and advances

(All amounts are in INR Millions unless otherwise stated)

Name of Transaction from	Name of Transaction by	Nature of Transaction	March 31, 2025	March 31, 2024
Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Quality Power Electrical Equipment Ltd.	Trade Receivables	43.17	9.24
Onur Emre TERCİYANLI	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Advance	-	0.43
Alper TERCİYANLI	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	Receivables	-	2.69

(v) Termination benefits of key management personnel

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Termination benefits	5.04	10.54
	5.04	10.54

(vi) Terms and conditions of transactions with related parties

The sales to related parties are made on terms equivalent to those that prevail in arm's length transaction. There have been no guarantees provided or received from any related party receivables and payables. For the year ended March 31, 2025 & March 31, 2024, the company has not recorded any impairment of receivables relating to amounts owned by related parties. This assessment is undertaken each financial year through examining the financial positions of the related parties and the market in which the related party operates.

39. SEGMENT REPORTING

Information reported by the management for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Company is in the business of manufacture and sale of electric equipments, which in the context of Indian Accounting Standard 108 'Operating Segment' represents a single reportable business segment.

The revenues, total expenses and net profit as per the Statement of profit and loss represent the revenue, total expenses and the net profit of the sole reportable segment

Revenue from External Customers

The company is domiciled in India. The amount of its revenue from external customers and receivable broken down by location of the customers is shown in the table below:

Revenue

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
India	1,057.57	494.59
Outside India	2,249.82	2,427.06
TOTAL	3,307.39	2,921.65

Trade Receivable

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
India	643.35	92.35
Outside India	727.83	702.43
TOTAL	1,371.18	794.78

Notes Forming Part of the Consolidated Financial Statement

Revenue from Major Customers (Contributing to more than 10% of revenue of the entire company)

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
India	243.44	-
Outside India	1,102.85	1,517.22
TOTAL	1,346.30	1,517.22

40. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders of the company. The primary objective of the Company's capital management is to maximise the shareholders value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial conveyants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using gearing ratio, which is net debt divided by total capital. The company includes within debt, interest bearing loans and borrowings, less cash and cash equivalents.

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Borrowing Other than convertible preference shares	88.95	382.80
Cash & Cash Equivalents	2,099.21	476.69
Net Debt	(2,010.26)	(93.89)
Equity	774.44	721.50
Other Equity	5,162.71	1,181.75
Total Capital	5,937.15	1,903.25
Gearing Ratio	(0.34)	(0.05)

41. FAIR VALUE MEASUREMENTS

Fair value instruments by category and hierarchy

The fair values of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments. The fair value of lease liability is not required to be disclosed.
2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, the fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to fair value.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Notes Forming Part of the Consolidated Financial Statement

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets included in level 3.

I. Financial Instruments by Category

(All amounts are in INR Millions unless otherwise stated)

Particulars	Total Cost		Amortised Cost		Fair Value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
FINANCIAL ASSETS						
Amortised Cost						
Trade Receivables	1,371.18	794.78	1,371.18	794.78	-	-
Cash and Cash Equivalents	1,808.88	473.09	1,808.88	473.09	-	-
Investments	369.85	475.28	358.52	475.28	11.33	-
Other Bank Balances	290.33	3.59	290.33	3.59	-	-
Other Financial Assets	370.30	595.17	370.30	595.17	-	-
Total	4,210.54	2,341.91	4,199.21	2,341.91	11.33	-
FINANCIAL LIABILITIES						
Amortised Cost						
Borrowings	88.95	382.80	88.95	382.80	-	-
Trade Payables	919.03	638.91	919.03	638.91	-	-
Other Financial Liabilities	248.57	406.66	248.57	406.66	-	-
Total	1,256.56	1,428.37	1,256.56	1,428.37	-	-

42. FINANCIAL RISK MANAGEMENT

The company's activity expose it to market risk, liquidity risk, credit risk. This note explains the source of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

(A) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks of our customers.

The company assesses and manages credit risk based on internal credit rating system. Internal credit risk is performed for major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company does not have significant credit risk exposure to any single counterparty. Concentration of credit risk related to the above mentioned company or any other counterparty did not exceed 10% of gross monetary assets at any time during the year.

i. Expected Credit Loss for trade receivables under simplified approach

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Gross Receivables	1,374.27	797.50
Less: Loss allowance based on expected credit loss model	(3.09)	(2.72)
Net Receivables	1,371.18	794.78

Notes Forming Part of the Consolidated Financial Statement

(B) Liquidity Risk

Prudent Liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to dynamic nature of underlying business, company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecast of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of Financial Liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities:

(All amounts are in INR Millions unless otherwise stated)

Particulars	Carrying Value	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
March 31, 2025					
Non-derivatives					
Borrowings	88.95	85.80	3.16	-	88.95
Lease Liabilities	-	-	-	-	-
Trade Payables	919.03	913.81	5.22	-	919.03
Other Financial Liabilities	248.57	208.72	39.85	-	248.57
Total Non-derivative Liabilities	1,256.56	1,208.33	48.23	-	1,256.56

(All amounts are in INR Millions unless otherwise stated)

Particulars	Carrying Value	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
March 31, 2024					
Non-derivatives					
Borrowings	382.80	369.78	13.01	-	382.80
Lease Liabilities	-	-	-	-	-
Trade Payables	638.91	635.07	3.84	-	638.91
Other Financial Liabilities	406.66	388.08	18.57	-	406.66
Total Non-derivative Liabilities	1,428.37	1,392.94	35.43	-	1,428.37

(C) Market Risk

Market risk is the risk that the fair value of future Cash flows of a financial instruments will fluctuate because of change in market prices. Market Risk comprises of three types of risk : Foreign Currency risk, Interest rate risk and other price risk such as equity risk and commodity risk.

(i) Foreign Currency Risk

Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The company undertakes transactions denominated in foreign currencies and consequently the company is exposed to foreign exchange risk. Foreign currency exchange rate exposure is partly balanced by purchased of goods, commodities and services in the respective currencies. The company evaluates exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies. The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the company is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

Unhedged Foreign Currency Exposure

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at March 31, 2025				As at March 31, 2024			
	CHF	USD	EURO	SEK	CHF	USD	EURO	SEK
Trade Payables	-	(10.57)	(23.11)	-	(0.42)	(338.21)	(2.24)	-
Trade Receivables	-	154.02	30.39	-	-	437.07	201.08	21.97
TOTAL	-	143.45	7.28	-	(0.42)	98.85	198.84	21.97

Notes Forming Part of the Consolidated Financial Statement

Foreign Currency Sensitivity

(All amounts are in INR Millions unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31, 2024	
	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
CHF	-	-	(0.00)	0.00
USD	1.43	(1.43)	0.99	(0.99)
EURO	0.07	(0.07)	1.99	(1.99)
SEK	-	-	0.22	(0.22)
Increase / Decrease in Profit or Loss	1.51	(1.51)	3.19	(3.19)

(ii) Interest rate Risk

The company's main interest rate risk arise from long term borrowings with variable rates, which expose the company to cash flow interest rate risk. During March 31, 2025 ; March 31, 2024 , the company's borrowings at variables rates were denominated in INR.

(a) Interest rate risk exposure

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Variable rate borrowings	82.40	337.62
Fixed rate borrowings	6.56	45.17
Total Borrowings	88.95	382.80
% of borrowings at variable rate	93%	88%

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. The following table demonstrates the sensitivity of the variable rate debt Instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rates across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

(All amounts are in INR Millions unless otherwise stated)

Particulars	Impact on Profit Before Tax	
	March 31, 2025	March 31, 2024
Total Interest Expense on borrowings (In millions)	19.96	18.12
Interest rates - Increase by 100 basis points (100 bps)*	(0.82)	(3.20)
Interest rates - Decrease by 100 basis points (100 bps)*	0.82	3.20

*Holding all other variables constant

(iii) Price Risk

(a) Exposure

Commodity Price Risk - The company is in the business of Manufacturing of Transformers another parts and will be affected by the price volatility of mainly copper (metal) commodity. Its operating activities require the ongoing purchase and manufacture of Finished Goods and therefore requires a continuous supply of raw materials - Copper. Due to the Significantly increased volatility of the price of the copper, the company also entered into various daily purchase contracts in an active market.

The sensitivity analysis of the change in the copper price on the inventory as at year end, other factors remaining constant is given in table below:

Notes Forming Part of the Consolidated Financial Statement

(b) Sensitivity

Commodity price Sensitivity

(All amounts are in INR Millions unless otherwise stated)

Particulars	Effect on Profit and loss account	
	March 31, 2025	March 31, 2024
Copper - Raw Material	1,230.88	1,384.26
Copper Raw Material - Increase in purchase by 1%	(12.31)	(13.84)
Copper Raw Material - Decrease in purchase by 1%	12.31	13.84

43. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT,2006)

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Principal amount due to suppliers under MSMED Act,2006	106.16	19.03
Interest accrued and due to suppliers under MSMED Act, on the above amount	0.48	0.08
Payment made to Suppliers (other than Interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act,2006	0.83	0.35

The Information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the company

44. COMMITMENTS AND CONTINGENCIES

A. COMMITMENTS

i. Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:
(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Property, Plant and Equipments	-	-
Intangible Assets	-	-

Note: The IPO proceeds from the Fresh Issue are proposed to be utilized, among other purposes, for funding the capital expenditure requirements of the Company, specifically towards the purchase of plant and machinery amounting to ₹272.20 million.

B. CONTINGENT LIABILITIES

(All amounts are in INR Millions unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
i. Claim against the company not acknowledged as debt		
Income Tax demand	-	-
Others	-	-
ii. Guarantees excluding financial guarantees		
Letter of Credit Issued	-	-
Bank Guarantees issued	1,180.72	403.33
Corporate Gurantee*	502.93	-
iii. Other Money for which the company is contingently liable		

The Company is subject to Liability towards MSME Vendors due to Interest on Principle amounts paid after prescribed period during the ordinary course of business. While the interest payable on these amounts cannot be predicted with certainty, management believes that any ultimate liability arising from these contingencies will not have a material adverse effect on the Company's financial position, results of operations, or cash flows.

* This includes corporate guarantee provided on behalf of Massa Izolyator Mehru Pvt. Ltd. of ₹ 500 Million by Mehru Electricals & Mechanical engineers Pvt Ltd.

Notes Forming Part of the Consolidated Financial Statement

45. SIGNIFICANT ACQUISITION DURING THE YEAR

Acquisition of Subsidiary:-Mehru Electricals & Mechanical engineers Pvt Ltd

On 6th March 2025, Quality Power Electrical Equipment Limited acquired 51% of the equity shares of Mehru Electrical & Mechanical Engineers Private Limited ("The Company"), thereby obtaining control over the company. The acquisition was made for a total consideration of ₹1,200 Millions, funded from the IPO proceeds. An advance of ₹30 Millions was paid on 23rd May 2024, and the remaining ₹1170 Millions was paid on 6th March 2025.

The acquisition qualifies as a business combination as per Indian Accounting Standard (Ind AS) 103 – Business Combinations, and has been accounted for using the acquisition method in the consolidated financial statements. Accordingly, Mehru Electrical & Mechanical Engineers Private Limited has been classified as a subsidiary of the company from the acquisition date i.e. 6th March, 2025.

With the objective to segregate Fabrication Business Undertaking from core business of Mehru Electrical & Mechanical Engineers Private Limited ("The Company"), the Company has filed a Scheme of Arrangement for demerger of Fabrication Business Undertaking into Mehru Fabricators Private Limited (Resulting Company). The Board of Directors of the Company approved the Scheme of Arrangement in its board meeting convened on October 04, 2024.

The Scheme has received consent from shareholders and creditors of the Company and accordingly, Second Motion Petition has been filed with the Hon'ble National Company Law Tribunal (NCLT) on February 21, 2025. Order Hon'ble National Company Law Tribunal (NCLT) is awaited.

Through this acquisition, the Company will enhance its manufacturing portfolio to include instrument transformers up to 400 KV, thereby significantly expanding the scope of its business activities. Mehru's established presence in Southeast Asia and Africa will facilitate the Company's entry into these key international markets. Furthermore, Mehru's specialization in instrument transformers will complement the Company's existing offerings, enabling the delivery of integrated and value-added solutions across the utilities, power generation, and heavy industrial sectors. This acquisition is expected to result in synergistic benefits, including opportunities for product bundling and streamlined procurement processes. These efficiencies are anticipated to contribute to improved operating margins and enhanced customer value through a more comprehensive and competitive product suite.

Figures of Mehru Electricals & Mechanical Engineers Pvt Ltd are included in the current year's financials from its acquisition date i.e. 6th March 2025, and were not included in the previous year.

The goodwill on acquisition was accounted on the basis of fair values of assets and liabilities.

The consideration transferred and calculation of goodwill on acquisition is as below:

(All amounts are in INR Millions unless otherwise stated)

Particulars	Amount
Purchase Consideration	1,200.00
Add: Share of Non-controlling Interest*	1,018.82
Less: Fair Value of Identifiable Net Assets	(2,079.23)
Goodwill on Acquisition	139.59

* Share of NCI is calculated on the basis of proportion Share of Net Identifiable Asset Method

The fair values of assets and liabilities acquired in respect of the above business combination are as under:

(All amounts are in INR Millions unless otherwise stated)

Particulars	Amount
Land & Building	1,124.40
Other Property, Plant & Equipment	173.68
Financial Asset including investment	142.69
Inventories	778.94
Trade Receivable	512.47
Cash	8.00
Other Financial Asset	72.27
Other current asset	138.67
Total Asset	2,951.13

Notes Forming Part of the Consolidated Financial Statement

(All amounts are in INR Millions unless otherwise stated)

Particulars	Amount
Less:	
Borrowings	(16.88)
Deferred Tax Liability	(25.85)
Deferred Tax Liability due to Fair Value change(Business Combination-Ind AS 103)	(252.78)
Trade Payable	(338.71)
Other Financial Liability	(15.07)
Provisions	(31.31)
Other Current Liability	(191.29)
Fair Value of Identifiable Net Asset/(Liability) acquired	2,079.23

The amounts of revenue and profit or loss of the acquiree since the acquisition date as follows:-

(All amounts are in INR Millions unless otherwise stated)

Particulars	Revenue	Profit(Loss)
Mehru Electricals & Mechanical engineers Pvt Ltd	258.38	26.49

The revenue and profit or loss of the combined entity for the current reporting period from beginning of period as follows:-

(All amounts are in INR Millions unless otherwise stated)

Particulars	Revenue	Profit(Loss)
Quality Power Electrical Equipments Limited	3,923.47	1,025.90

46. OTHER NOTES AND STATUTORY DISCLOSURES

1 Investment in Nebeskie Labs Private Limited.

During the financial year 2022-23, Quality Power Engineering Project Pvt. Ltd., a subsidiary of the Company, made an investment of ₹14.5 million in Nebeskie Labs Private Limited ("the Company"), a startup entity.

Nebeskie is in the early stages of establishing its business operations. The Company reported revenue from operations of ₹10.9 million for the financial year 2024-25 (Previous year: ₹5.5 million). It has acquired reputed clients and remains optimistic about its future growth, with a focus on achieving operational efficiency and effective cost management. The Company reported a net business loss of ₹8.3 million for the financial year 2024-25 (Previous year: ₹6.1 million).

Given the current stage of business development and the long-term strategic outlook, the diminution in the value of the investment is assessed as temporary in nature. Accordingly, no provision for impairment has been considered necessary, and the investment continues to be carried at its original acquisition cost.

2 Investment in S&S Transformer and Accessories Pvt. Ltd.

S & S Transformers And Accessories Pvt. Ltd. has been engaged in the manufacturing of Current Transformers and Potential Transformers [CT PT] from 2009 to 2018. Over this period, the company has developed numerous products and associated designs. These products include various ratings such as 11 Kv or 12 Kv, both Oil immersed and Dry Type CT & PT. Approvals for these products have been obtained from CPRI (Central Power Research Institute, Bangalore) and the products are registered with several electricity boards, including the Kerala State Electricity Board Limited. The estimated value of these products and designs owned by the company is approximately ₹ 19.00 to 20.00 millions.

Hence diminution in the value of the investments made in S & S Transformers And Accessories Pvt. Ltd. are not considered and hence no provisions are required to be made in this regard, as per the policy followed by the company, at this point of time.

Notes Forming Part of the Consolidated Financial Statement

47. FINANCIAL STATEMENT pursuant to Schedule III of the Companies Act, 2013

Sr. No	Name of the entity in the Group	Net Asset		Share in profit or loss		Share in OCI		Share in total comprehensive income	
		As on 31st March 2025		Year ended 31st March 2025		Year ended 31st March 2025		Year ended 31st March 2025	
		As % of consolidated net	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive	Amount	As % of total comprehensive income	Amount
A	Parent								
	Quality Power Electrical Equipment Limited	56.10%	3,330.61	30.27%	303.11	0.88%	0	29.57%	303.32
B	Subsidiaries								
	Indian								
	Quality Power Engineering Project Private Limited	3.12%	185.09	2.12%	21.22	-0.27%	(0.07)	2.06%	21.15
	S & S Transformers and Accessories Private Limited	0.08%	4.87	0.10%	0.97	0.00%	-	0.09%	0.97
	Mehru Electrical and Mechanical Private Limited \$	35.47%	2,105.74	2.64%	26.49	0.00%	-	2.58%	26.49
	Foreign								
	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	24.50%	1,454.43	64.95%	650.44	96.74%	23.61	65.70%	674.06
	Non-Controlling Interest in all subsidiaries								
C	Associates (Investment as per the equity method)								
	Indian								
	Foreign								
D	Joint Venture								
	(Investment as per the equity method)								
	Indian								
	Foreign								
E	Consolidation Adjustments/ Eliminations	-19.26%	(1,144)	-0.07%	(0.74)	2.66%	0.65	-0.01%	(0.09)
	Total	100.00%	5,937.15	100.00%	1,001.49	100.00%	24.41	100.00%	1,025.91

\$ Acquired during the year w.e.f 06th March 2025

Notes Forming Part of the Consolidated Financial Statement

Sr. No	Name of the entity in the Group	Net Asset		Share in profit or loss		Share in OCI		Share in total comprehensive income	
		As on 31st March 2024		Year ended 31st March 2024		Year ended 31st March 2024		Year ended 31st March 2024	
		As % of consolidated net	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive	Amount	As % of total comprehensive income	Amount
A	Parent								
	Quality Power Equipment Limited	49.44%	940.90	31.63%	175.44	0.93%	0.25	30.20%	175.69
B	Subsidiaries								
	Indian								
	Quality Power Engineering Project Private Limited	8.61%	163.94	4.26%	23.62	-0.19%	(0.05)	4.05%	23.57
	S & S Transformers and Accessories Private Limited	0.20%	3.90	-0.51%	(2.80)	0.00%	-	-0.48%	(2.80)
	Mehru Electrical and Mechanical Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Foreign								
	Endoks Enerji Anonim Şirketi (Formerly known as Endoks Enerji Dağıtım Sistemleri Sanayi İthalat ve İhracat Limited Şirketi)	46.11%	877.58	64.60%	358.35	98.80%	26.67	66.18%	385.02
	Non-Controlling Interest in all subsidiaries (Investment as per the equity method)								
C	Associates (Investment as per the equity method)								
		19.51%	371.39	32.51%	180.32	49.56%	13.38	33.30%	193.70
	Indian								
	Foreign								
D	Joint Venture								
	(Investment as per the equity method)								
	Indian								
	Foreign								
	Consolidation Adjustments/ Eliminations	-4.36%	(83.07)	0.03%	0.14	0.46%	0.12	0.05%	0.26
	Total	100.00%	1,903.25	100.00%	554.74	100.00%	26.99	100.00%	581.73

Notes Forming Part of the Consolidated Financial Statement

48. OTHER REGULATORY INFORMATION

- 1) No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- 2) The Group has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- 3) The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- 4) The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- 5) The Company has not entered into any scheme of arrangement which has an accounting impact on current financial year except for the acquisition of Mehru Electrical & Mechanical Engineers Pvt. Ltd. ("the Company"), with the objective of segregating the Fabrication Business Undertaking from the core operations, a Scheme of Arrangement has been filed for the demerger of the said undertaking into Mehru Fabricators Private Limited ("the Resulting Company"). The Board of Directors of the Company approved the Scheme of Arrangement in its meeting held on October 04, 2024. Subsequently, the Scheme received requisite approvals from the shareholders and creditors of the Company. In line with this, a Second Motion Petition was filed before the Hon'ble National Company Law Tribunal (NCLT) on February 21, 2025. The order of the Hon'ble NCLT is currently awaited.
- 6) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- 7) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- 8) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- 9) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.
- 10) The Group has not revalued its property, plant and equipment, right-of-use assets, or intangible assets during the current or previous year, except for assets of subsidiary Mehru Electrical & Mechanical Engineers Pvt. Ltd., which were recorded at fair value on acquisition.
- 11) The title deeds of all the immovable properties (other than properties where the group is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 2 to the financial statements, are held in the name of the Group.
- 12) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period except charge against Corporate Guarantee of INR 500 Millions given for Project Loan extended to Massa Izolyator Mehru Pvt. Ltd.
- 13) The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were was taken.

Notes Forming Part of the Consolidated Financial Statement

49. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Following year wise amount was utilised as financial contributions towards CSR Activities:
(All amounts are in INR Millions unless otherwise stated)

Financial Year	Amount required to be spent by the company during the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of Previous Years shortfall	Remarks
2024-25	5.81	6.61	NA	0.02	NA
2023-24	2.58	4.53	0.02	-	₹ 1.97 millions paid for PY 2022-23 and ₹ 0.02 Millions deposited in a separate Bank Account

50. Initial Public Offer (IPO) Disclosures

The Company has offered through the Initial Public Offer (IPO) with a fresh issue of 52,94,100 equity shares and offer for sale of 1,49,10,500 equity shares having face value of ₹10/-each at an issue price of ₹425/- per equity share. These equity shares were allotted/allocated on 20th February, 2025 and listed on The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 24th February, 2025.

The utilised of IPO Proceeds is summarised below

(All amounts are in INR Millions unless otherwise stated)

Sr. No	Particulars	Object of the issue as per the prospectus	Utilisation upto 31st March 2025	Unutilised / (excess spent) amount as on 31st March 2025
1	Payment of the purchase consideration for the acquisition of Mehru Electrical and Mechanical Engineers Private Limited	1170.00	1170.00	0.00
2	Funding capital expenditure requirements of our Company for purchase plant and Machinery	272.20	0.00	272.20
3	Funding inorganic growth unidentified acquisitions and other Strategic initiatives and general corporate purposes	611.70	0.00	611.70
4	Share issue expenses related to initial public offer	196.00	200.70	(4.70)
Total		2249.90	1370.70	879.20

51. Previous year figures have been regrouped / rearranged , wherever considered necessary to conform to current year classification.

The accompanying notes form an integral part of the Consolidated financial statements This is the consolidated balance sheet referred to in our report of even date.

For **Kishor Gujar & Associates**

Chartered Accountants

Firm's Registration Number - 116747W

Peer Review No. :- 014220

For and on behalf of the Board of Directors

CA Javedkhan Saudagar

(Partner)

Membership No. 139006

UDIN : 25139006BMIEDO3742

Thalavaidurai Pandyan

Chairman &

Managing Director

DIN: 00439782

Bharanidharan Pandyan

Joint Managing

Director

DIN: 01298247

Chitra Pandyan

Whole Time

Director

DIN: 02602659

Place: Pune.

Date: 27/05/2025

Deepak Suryavanshi

Company Secretary

Place : Sangli

Rajesh Jayaraman

Chief Financial Officer

Date : 27/05/2025

Notes

Notes

The listing on the National Stock Exchange (NSE) marks a significant milestone in our journey. It symbolizes our transition into a new phase of growth, enhancing market visibility, strengthening investor trust and enabling us to pursue future opportunities with greater scale and momentum.





QUALITY POWER

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