

14<sup>th</sup> May, 2026

To, Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	To, Listing Department National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
<b>Scrip Code: 544527</b>	<b>NSE Symbol: ATLANTAEL</b>

**Subject: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding receipt of Debarment Order from South Bihar Power Distribution Company Limited (SBPDCL)**

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that ATLANTA Electricals Limited (“the Company”) has received a Debarment Letter from one of its ex-customers, South Bihar Power Distribution Company Limited (“SBPDCL”), in relation to a purchase order executed during FY2023-24, debarring the Company for a period of two years.

The said communication was received by the Company on 13.05.2026 and pertains to the supply of 4 Nos. 10 MVA, 33/11 kV ONAN Power Transformers against a purchase order value of less than ₹3 Crores.

The company would like to clarify that this matter does not relate to any on-site failure or noncompliance. It relates to post-delivery short-circuit testing conducted at CPRI, Bhopal, on one randomly selected transformer from the supplied lot in May’24. During the testing process, the transformer successfully withstood all short-circuit shots and subsequently met all major electrical, dielectric, thermal, and post-test performance parameters. However, during internal inspection after completion of testing, certain observations relating to the displacement of insulating components were recorded by the testing agency.

Based on the said observations of short circuit report, SBPDCL issued a Show Cause Notice dated 22.08.2024, to which the Company submitted detailed technical replies and representations on multiple occasions, including on 27.08.2024, 30.10.2024, and 08.01.2025. Since then, the Company has continued technical discussions and representations with the concerned officials, explaining its position that:

- The transformer had successfully cleared all critical test parameters.
- No operational abnormality or unsafe condition had been observed.
- The matter did not involve any established design failure or systemic quality issue; and
- Transformers of the same design supplied earlier are operating satisfactorily in the field.

After the submission of the letter on 08.01.25, the Company had not received any further communication in the matter for a considerable period thereafter and was in discussions with the customer for technical resolution and reconsideration. Subsequently, the Company has now received the aforesaid Debarment Order dated 24.04.2026, which was received by the Company on 13.05.2026.

The Company respectfully disagrees with the characterisation of the matter as a supply of “bad quality material” and has already submitted its detailed representation and protest before the concerned authorities, requesting reconsideration of the said order. The company shall exercise legal options if need be in due course.

The Company also understands that, in similar situations involving post-delivery short circuit testing observations, industry practice followed by various utilities and transmission companies generally provides an opportunity for re-testing and/or independent technical evaluation before resorting to extreme penal actions such as debarment. Accordingly, the Company has requested the concerned authorities to permit re-testing / independent technical review of the transformer under reference.

The Company would also like to clarify that:

- The order under reference was fully executed in FY2023-24.
- The value of the said order was not material in relation to the scale of operations of the Company.
- The matter pertains to a single isolated technical observation during post-test inspection.
- The Company continues to maintain a strong operational and technical track record in the transformer industry. The company has historically supplied 218 transformers of the same rating to Bihar utilities, which are working satisfactorily, and has also successfully short-circuit tested transformers of the same rating 13 times in CPRI in the past ten years for Bihar State Utilities.

This disclosure is being made in the interest of transparency, good corporate governance and adherence to compliance.

We wish to clarify that this is not a material event and does not affect our present or future business. We also wish to mention that this debarment order is limited to the tenders of Bihar State Power Holding Company Limited

The Company shall continue to update the Stock Exchanges regarding any material developments in the matter.

Kindly take the above information on record.

Thanking you,

Yours faithfully,  
**For Atlanta Electricals Limited**



**Name: Tejal S. Panchal**  
**Company Secretary and Compliance Officer**