

## IPO Note

12th November 2025

### Company Overview

Fujiyama Power Systems Ltd. operates as an integrated manufacturer and solutions provider in India's rooftop solar industry, offering a comprehensive range of on-grid, off-grid, and hybrid solar systems. It has established strong capabilities across the solar value chain, spanning solar panel and inverter manufacturing to both lead-acid and lithium-ion battery production, positioning itself as one of the most diversified players in the domestic solar equipment space. With over 29 years of brand legacy under 'UTL Solar' and the complementary 'Fujiyama Solar' brand, the company enjoys strong industry recall and credibility. It operates four domestic manufacturing facilities supported by in-house R&D focused on continuous innovation in inverter technology. Notably, the company has demonstrated technological leadership by being among the first in India to develop an SMT-based single-card inverter (2000), an Online UPS with a single card, and high-frequency online UPS. The company's extensive product portfolio of more than 522 SKUs, encompassing solar inverters, panels, and batteries, allows it to serve as a one-stop solution provider, reducing customer dependence on external OEMs. As of June 30, 2025, its expansive distribution network comprises 725 distributors, 5,546 dealers, and 1,100 exclusive "Shopee" franchisees, supported by a strong after-sales team of over 600 service engineers. Overall, the company's deep manufacturing integration, robust distribution reach, and sustained focus on R&D-driven innovation position it well to capitalize on India's accelerating rooftop solar adoption and broader renewable energy transition.

### Objects of the issue

The company will utilize its net proceeds in the following manner:

- ⇒ Part financing the cost of establishing the manufacturing facility in Ratlam, Madhya Pradesh, India (the "Project");
- ⇒ Repayment and/ or prepayment of all or a portion of certain outstanding borrowings availed by the company; and
- ⇒ General corporate purposes..

### Investment Rationale

#### Well-diversified portfolio positions the company as a comprehensive leader in the rooftop solar industry

The company stands out as a well-diversified and vertically integrated player in India's rooftop solar industry, offering one of the most comprehensive product portfolios in the segment. It manufactures and supplies a wide range of solar energy solutions, including solar PCUs, off-grid, on-grid, and hybrid inverters, solar panels, battery chargers, tubular and lithium-ion batteries, as well as online and offline UPS systems, solar management units, and charge controllers, enabling it to serve varied customer needs across both residential and commercial applications. In addition to its strong presence in the rooftop solar domain, the company has strategically expanded into the EV segment through E-Rickshaw chargers and lithium-ion batteries, enhancing its exposure to emerging clean energy opportunities. With over 522 SKUs, the company's product diversity mitigates dependency on any single category, offering greater business resilience and steady revenue visibility. According to the Ministry of New and Renewable Energy (MNRE), India's cumulative rooftop solar capacity stood at 17 GW as of March 2025, and the company has supplied 1.64 GW of solar inverters over the past five years, representing a 9.6% share of installed capacity, underscoring its significant contribution to India's rooftop solar growth. By offering a 'one-stop solution' model, providing end-to-end products and customized system configurations suited to different geographies and customer needs, the company reduces customer reliance on third-party OEMs. Its integrated product offering, supported by a robust service network, strengthens brand trust and positions the company as a leading, full-spectrum solutions provider in India's rapidly expanding rooftop solar ecosystem.

### Issue Details

Offer Period	13th Nov. 2025 - 17th Nov. 2025
Price Band	Rs. 216 to Rs. 228
Bid Lot	65
Listing	BSE & NSE
Issue Size (no. of shares in crores)	3.6
Issue Size (Rs. in crores)	828
Face Value (Rs.)	1

### Issue Structure

QIB	50%
NIB	15%
Retail	35%

BRLM	Motilal Oswal Investment Advisors Ltd., SBI Capital Markets Ltd.
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Registrar	MUFG Intime India Pvt. Ltd.
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Particulars	Pre Issue %	Post Issue %
Promoter & Promoter Group	99.7%	87.9%
Public	0.3%	12.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

(Assuming issue subscribed at higher band)

Research Team - 022-61596138

# Fujiyama Power Systems Ltd.

## Proven track record of technology development and innovation

The company has consistently positioned itself as an early adopter of advanced technology, integrating global manufacturing standards to enhance product quality, performance, and efficiency. It is among the few Indian players with demonstrated technological leadership, having developed the country's first single-card SMT inverter in the year 2000, along with innovations such as online UPS with a single card, Combo UPS with automatic voltage regulation (AVR), and high-frequency online UPS systems. Building on this legacy of innovation, the company continues to invest in cutting-edge solar manufacturing capabilities. It has upgraded its production infrastructure to manufacture next-generation solar panels, including TOPCon bifacial and glass-to-glass modules (up to 590 Wp) and MonoPerc bifacial panels (up to 670 Wp), aligning with global advancements in solar efficiency. Further strengthening its technology stack, the company has designed an indigenous Battery Management System (BMS) that enhances the safety, reliability, and longevity of its lithium-ion batteries, a critical advantage as energy storage solutions gain traction. Its online solar PCU, which combines a solar inverter with an Online UPS, ensures uninterrupted operation of critical loads, while its off-grid inverter with an integrated lithium-ion battery eliminates the need for separate battery cabinets and interconnections, thereby simplifying installation and reducing system costs. Overall, the company's sustained focus on R&D-driven innovation, product differentiation, and process modernization underscores its strong technological edge and reinforces its positioning as a forward-looking, innovation-led player in India's rapidly evolving rooftop solar ecosystem.

## Valuation

Fujiyama Power Systems Ltd. is a fully integrated manufacturer and solutions provider in India's rooftop solar segment, offering a comprehensive range of on-grid, off-grid, and hybrid solar systems. With established competencies across solar panels, inverters, and both lead-acid and lithium-ion batteries, the company has developed a diversified and scalable product ecosystem that positions it as a prominent player in the domestic solar equipment market. India's renewable energy sector continues to witness rapid transformation, with solar energy's share in renewables rising from 23% in FY19 to 48% in FY25, and projected to exceed 60% by 2030, supported by strong policy push and capacity expansion plans. This sectoral momentum provides a robust demand backdrop for Fujiyama's growth trajectory. The company's planned integrated manufacturing facility in Ratlam, Madhya Pradesh, marks a key strategic expansion that is expected to more than double its current production capacity. The new facility will enhance manufacturing capability by 2,000 MWh for lithium-ion batteries and 2,000 MW each for solar panels and inverters, enabling deeper penetration in Western and Southern India regions witnessing accelerated rooftop and distributed solar adoption. On the financial front, the company has demonstrated impressive topline growth, with revenue increasing at a CAGR of 52% between FY23 and FY25, reflecting strong product demand and market positioning. Moreover, EBITDA grew at a CAGR of 119% between FY23 and FY25, while margins expanded from 8% in FY23 to 16% in FY25, underscoring significant operational efficiency and improved cost management. A Return on Average Equity (ROAE) of 49% in FY25 further highlights robust profitability and effective capital deployment. **At the upper price band of Rs. 228, Fujiyama Power Systems Ltd. is valued at a P/E multiple of 41.0x based on FY25 earnings. Given the company's technological capabilities, financial strength, expanding margins, scalable business model, and industry growth potential, we believe the valuation is justified. Thus, we recommend a "SUBSCRIBE" rating for this issue with a medium to long-term investment horizon.**

## Key Risks:

- ⇒ The company's manufacturing operations are exposed to various operational and external risks. Any disruption, shutdown, or unforeseen event affecting existing or future facilities could lead to production delays and lower sales. Such occurrences may adversely impact the company's business performance, financial condition, and overall operational stability.
- ⇒ The company's manufacturing footprint is geographically concentrated in the Northern region of India, which could increase its concentration risk and, in turn, affect its financial condition, results of operations, and cash flows.
- ⇒ The company remains exposed to import-related risks due to its reliance on China for key raw materials and other foreign countries for equipment and machinery. Any changes to trade policies, import restrictions, or higher duties could raise input costs and erode margin stability. Additionally, similar restrictions or tariffs in export markets may affect competitiveness and cash flows.

# Fujiyama Power Systems Ltd.

## Income Statement (Rs. in crores)

Particulars	FY23	FY24	FY25	Q1FY26
Revenue from operations	664	925	1,541	597
<b>Total revenue</b>	<b>664</b>	<b>925</b>	<b>1,541</b>	<b>597</b>
<b>Expenses:</b>				
Cost of material Consumed	500	698	1,122	413
Changes in inventories	2	-12	-26	7
Other operating expenses	16	32	47	19
Employee Benefits	44	51	70	23
Other Expenses	51	58	80	29
<b>Total expenses</b>	<b>612</b>	<b>826</b>	<b>1,292</b>	<b>491</b>
<b>EBITDA</b>	<b>52</b>	<b>99</b>	<b>249</b>	<b>106</b>
Depreciation & amortization	6	13	18	7
<b>EBIT</b>	<b>46</b>	<b>86</b>	<b>231</b>	<b>99</b>
Finance costs	15	26	27	9
Other Income	1	3	9	0
<b>PBT</b>	<b>31</b>	<b>63</b>	<b>213</b>	<b>90</b>
Current Tax	2	10	48	20
Income tax relating to earlier years	0	0	0	0
Deferred tax	5	7	9	2
Total tax	7	17	57	22
<b>PAT</b>	<b>24</b>	<b>45</b>	<b>156</b>	<b>68</b>
Diluted EPS	0.9	1.6	5.6	2.4

Source: RHP, BP Equities Research

## Cash Flow Statement (Rs. in crores)

Particulars	FY23	FY24	FY25	Q1FY26
Cash Flow from/(used in) operating activities	78	85	18	(56)
Cash flow from/(used in) investing activities	-132	-45	-118	(11)
Net cash flows from/(used in) financing activities	55	-37	104	(3)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>0</b>	<b>4</b>	<b>4</b>	<b>(70)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>81</b>
<b>Cash and cash equivalents at the end of the period*</b>	<b>0</b>	<b>4</b>	<b>8</b>	<b>1</b>

Source: RHP, BP Equities Research

# Fujiyama Power Systems Ltd.

## Balance Sheet (Rs. in crores)

Particulars	FY23	FY24	FY25	Q1FY26
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, plant and equipment	162	207	286	315
Capital Work in progress	8	0	0	0
Investment property	2	0	0	0
Right-of-use of assets	12	11	73	81
Goodwill	56	56	56	56
Other Intangible Assets	1	2	3	3
<b>Financial Assets</b>				
(i) Investments	0	0	0	0
(ii) Other financial assets	5	2	5	6
Other non current assets	2	1	23	71
<b>Total Non Current assets</b>	<b>248</b>	<b>279</b>	<b>447</b>	<b>533</b>
<b>Current Assets</b>				
Inventories	187	232	383	479
<b>Financial Assets</b>				
(i) Trade Receivables	29	65	73	82
(ii) Cash and cash equivalents	0	4	8	1
(iii) Bank balance other than cash	13	11	12	11
(iv) Others	0	0	2	2
Other current assets	38	17	89	136
<b>Total Current Assets excluding assets held for sale</b>	<b>267</b>	<b>329</b>	<b>567</b>	<b>711</b>
Assets held for sale		2		
<b>Total Current assets</b>	<b>267</b>	<b>331</b>	<b>567</b>	<b>711</b>
<b>Total Assets</b>	<b>515</b>	<b>610</b>	<b>1,014</b>	<b>1,244</b>
<b>Equity and Liabilities</b>				
Equity Share Capital	14	25	28	28
Instruments entirely equity in nature	109	0	0	0
Other Equity	71	215	369	436
<b>Total Equity</b>	<b>193</b>	<b>240</b>	<b>397</b>	<b>464</b>
<b>Non-Current Liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	67	63	88	113
(ii) Lease Liabilities	4	4	46	53
Deferred tax liabilities	4	12	21	23
Provisions	4	4	6	6
Other non current liabilities	0	0	5	7
<b>Total Non-Current Liabilities</b>	<b>79</b>	<b>83</b>	<b>165</b>	<b>202</b>
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	144	137	258	320
(ii) Trade Payables	71	115	120	174
(iii) Lease Liabilities	0	0	3	4
(iv) Other financial liabilities	8	10	23	45
Other current liabilities	19	21	39	21
Provisions	0	0	2	3
Current tax liabilities (Net)	0	3	7	12
<b>Total Current Liabilities</b>	<b>243</b>	<b>287</b>	<b>452</b>	<b>578</b>
<b>Total Liabilities</b>	<b>321</b>	<b>370</b>	<b>617</b>	<b>780</b>
<b>Total Equity and Liabilities</b>	<b>515</b>	<b>610</b>	<b>1,014</b>	<b>1,244</b>

Source: RHP, BP Equities Research

## Disclaimer Appendix

**Analyst (s) holding in the Stock : Nil****Analyst (s) Certification:**

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