

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE AUDIT COMMITTEE OF FUJIYAMA POWER SYSTEMS LIMITED (FORMERLY FUJIYAMA POWER SYSTEMS PRIVATE LIMITED) ("THE COMPANY") AT THEIR MEETING HELD ON THURSDAY, 6TH DAY OF MARCH, 2025 AT THE REGISTERED OFFICE OF THE COMPANY AT 53A/6, NEAR NDPL GRID OFFICE, NEAR SAT GURU RAM SINGH MARG METRO STATION, INDUSTRIAL AREA, DELHI 110015

TO CONSIDER AND APPROVE THE KEY PERFORMANCE INDICATORS ('KPI') DISCLOSED IN THE OFFER DOCUMENTS FOR THE INITIAL PUBLIC OFFERING OF THE COMPANY

"RESOLVED THAT, in accordance with the requirements of SEBI ICDR Regulations, all the KPIs (along with their description) related to the business of the Company which have been verified by the Independent Chartered Accountant (M/s. Raj Gupta & Co.) and have been used by the Company to analyse, track and monitor the operational and financial performance of the Company and which are considered relevant by the management for analysis of financial and operational performance of the Company and (ii) other relevant and material KPIs of the Company which may have a bearing for arriving at the basis for the pricing for the proposed Offer, and the rationale for such classification, as well as the rationale for not considering certain data points as KPIs for disclosure in the Offer Documents, as set out in **Annexure A** are hereby noted and the approval of the Audit Committee is hereby accorded to disclose such KPIs in the draft red herring prospectus and other documents or material issued or filed by the Company issued in relation to the Offer, including any amendments, addenda or corrigenda issued thereto. (collectively, the **"Offer Documents"**)

RESOLVED FURTHER THAT in accordance with the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**"SEBI ICDR Regulations"**), as amended by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 (the **"Amendments"**) and other applicable laws, the members of the Committee confirm there are no KPIs pertaining to Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Draft Red Herring Prospectus (**"DRHP"**) with the Securities and Exchange Board of India and the Stock Exchanges are disclosed under *'Basis for Offer Price'* section placed before the Committee and included as **Annexure B**, and the details for all such KPIs disclosed under *'Basis for Offer Price'* section have been verified and audited, in accordance with applicable laws and auditing procedures. The Audit Committee also takes note of the certificate issued by the Independent Chartered Accountant M/s. Raj Gupta & Co., dated March 6, 2025 in relation to the KPIs (**"KPI Certificate"**), as set out as **Annexure C** and confirms that the KPIs which are required to be disclosed in the *'Basis for Offer Price'* section in accordance with the Amendments or other applicable laws, have been disclosed or are proposed to be disclosed, as applicable, in the Offer Documents and such information is verified and audited by M/s. Raj Gupta & Co. pursuant to the KPI certificate issued by it.

RESOLVED FURTHER THAT the KPI Certificate be disclosed in the *'Material Contracts and Documents for Inspection'* section of the Offer Documents under the applicable provisions of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT in accordance with the applicable provisions of the SEBI ICDR Regulations and other applicable laws, the KPIs which have been used historically by the Company to understand and analyse the business performance, which in result, help it in analysing the growth of various verticals in comparison to its peers, and other relevant and material KPIs of the business of the issuer Company that have a bearing for arriving at the basis for offer price, along with explanation for KPI metrics, are hereby approved.

FUJIYAMA POWER SYSTEMS LTD.

(Formerly known as Fujiyama Power Systems Pvt. Ltd.)

53A/6, Near NDPL Grid Office, Near Metro Station, Industrial Area,
Sat Guru Ram Singh Marg, Delhi - 110015, India

CIN No - U31909DL2017PLC326513,

GST No - 07AADCF2634F1ZY

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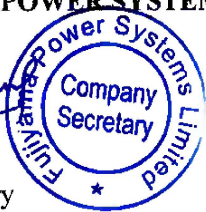
RESOLVED FURTHER THAT, pursuant to the Amendments, the KPIs, as placed before the members of the Committee and initialled by the Chairperson for identification purposes and disclosed under 'Basis for Offer Price' section of the DRHP, be and are hereby approved and shall be disclosed in the Offer Documents.

RESOLVED FURTHER THAT any member of the Board, Company Secretary and/or the Chief Financial Officer of the Company, be and are hereby severally authorized to do all acts, deeds, matters and things as deemed necessary, proper or desirable, and to settle or give instructions and directions for settling any questions, difficulties or doubts that may arise in this regard in order to give effect to the resolution.

RESOLVED FURTHER THAT certified true copies of this resolution be provided to those concerned under the hands of a Director or Company Secretary of the Company wherever required and to settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company."

For FUJIYAMA POWER SYSTEMS LIMITED


Rakesh Kumar
Company Secretary
M. No. F12868



Date: March 6, 2025

Place: Delhi

Annexure A

Details of the Company's KPIs

S. No.	KPI List (Revenue)	30 September 2024	31 March 2024	31 March 2023	31 March 2022
1	Revenue from Operations	7,217.35	9,246.88	6,640.83	5,068.38
2	Export Revenue as % of Revenue from Operations	2.28%	4.19%	4.96%	2.78%
3	EBITDA	1166.49	986.37	515.99	442.78
4	EBITDA Margin%	16.16%	10.67%	7.77%	8.74%
5	PAT	750.90	453.03	243.66	285.43
6	PAT Margin %	10.40%	4.90%	3.67%	5.63%
7	ROE	23.84%	18.91%	12.62%	15.76%
8	ROCE	26.47%	26.60%	16.81%	21.54%
9	Debt/Equity Ratio	0.48	0.84	1.09	0.78
10	Advertisement and Marketing Expense as a % of Revenue from operations	1.59%	1.06%	2.58%	2.57%
11	Revenue by Product category				
	Solar Panel	2,634.91	3,319.66	1,928.01	1,413.15
	Solar Battery	1,776.41	2,166.42	1,677.75	1,663.12
	Solar UPS/ Inverter/Converter	1,743.45	1,680.46	1,191.59	1,128.56
	E-Rickshaw Charger	314.93	593.23	389.32	206.38
	Online UPS	184.13	339.32	443.99	322.48
	Other Products, including services and other operating income (Balancing Figure)	563.52	1,147.79	1,010.16	334.68
12	Revenue by Sales Channel (B2B vs B2C)				
	B2C	6,518.42	7,228.10	5,800.81	4,741.48
	B2B (Balancing figure)	698.93	2,018.78	840.02	326.90
13	Number of SKUs in portfolio	509	487	452	423
14	Number of channel partners	5,104	4,587	3,771	2,922

All financial information for the Company is sourced from the Restated Financial Information.

Note:

1. Revenue from Operations is as per the Restated Financial Information.
2. Export revenue as a % of Revenue from Operations is calculated as export sales divided by Revenue from Operations.
3. EBITDA is calculated as the sum of profit before tax, depreciation and amortization expenses and finance costs after deducting other income.
4. EBITDA Margin is calculated as EBITDA of the Company divided by the Revenue from Operations.
5. PAT means restated profit for the year/period as appearing in the Restated Financial Information.
6. PAT margin is calculated as Restated Profit for the Period divided by the Revenue from Operations.
7. Return on Equity (ROE) ratio is calculated as PAT divided by shareholder's equity
8. Return on Capital employed (ROCE) ratio is calculated as EBIT divided by the total capital employed for the year, whereas EBIT equals to (EBITDA minus Depreciation), and Capital Employed equals to (Total Assets minus current liabilities).
9. Debt/ Equity Ratio is calculated as total debt is divided by shareholder's equity (excluding non-controlling interest).
10. Advertising and Marketing Expenses as a % of Revenue from Operations is calculated by advertising and marketing expenses for the period divided by Revenue from operations for the period.
11. Revenue from Operations by Product category refers to revenue from operations by product category for the year / period.
12. Revenue from Operations by Sales Channel refers to revenue from operations by sales channel for the year/period.
13. Number of SKUs in portfolio are number of distinct SKUs in the product portfolio during the each fiscal and half yearly period.
14. Number of channel partners are sum of number of distributors, if any, dealers, if any and exclusive Shoppes, if any as during the each fiscal and half yearly period

Brief explanations of the relevance of the KPIs for our business operations and explanation for not considering certain data points as KPIs for disclosure in the Offer Documents are set forth below:

Sr. No.	Metric	Classified as KPI	Rationale
1	Revenue from Operations (in ₹ million)	Yes	Revenue from Operations is used by the Company to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business.
2	Revenue Growth %	No	Revenue growth percentage provides information regarding the growth of our revenue, which is the KPI and disclosed as such, for the respective period. Further, this metric would not have an impact on issue pricing.
3	Revenue by Product category (in ₹ million)	Yes	Revenue from Operations of the product split for its share enables the Company to track the progress of the revenues in the product category - Solar Panel, Solar Battery, Solar UPS/ Inverter/Converter, E-Rickshaw Charger, Online UPS, Other Products, including services and other operating income.
4	EBITDA (in ₹ million)	Yes	EBITDA provides information regarding the operational efficiency of the business.
5	EBITDA Margin %	Yes	EBITDA Margin is an indicator of the operational profitability and financial performance of the business.
6	PAT (in ₹ million)	Yes	Profit after tax provides information regarding the overall profitability of the business
7	PAT Margin %	Yes	PAT Margin is an indicator of the overall profitability and financial performance of the business
8	ROE %	Yes	RoE provides how efficiently the Company generates profits from shareholders' funds.
9	ROCE %	Yes	ROCE provides how efficiently the Company generates earnings from the capital employed in the business.
10	Debt/Equity Ratio	Yes	Debt to Equity ratio is a key indicator of the company's financial health and stability, and is also known as a gearing ratio or leverage ratio. Debt equity ratio signifies the balance between debt and equity financing used to fund its operations and growth, reflecting its financial leverage and risk
11	Marketing Expense as a % of Revenue	Yes	Measures proportion of revenue spent on marketing, reflecting company's investment in customer acquisition & brand promotion
12	# of SKUs in portfolio	Yes	The number of SKUs in a portfolio tracks the total number of unique stock-keeping units (SKUs) in a business's inventory system, indicating its product diversification & inventory management strategy
13	# of channel partners	Yes	The number of distributors, dealers and Shoppe engaged with the Company for sale of our products, measures the reach & expansion of a company's distribution network, reflecting its market penetration & accessibility to customers

Sr. No.	Metric	Classified as KPI	Rationale
14	Total Purchases (in ₹ million)	No	This is used in the calculation of gross margin, which is the KPI, and has accordingly been disclosed as such. Further, this metric would not have an impact on issue pricing.
15	Purchases from suppliers in India (in ₹ million)	No	This is used in the calculation of gross margin, which is the KPI, and has accordingly been disclosed as such. Further, this metric would not have an impact on issue pricing.
16	Purchases from suppliers outside India (in ₹ million)	No	This is used in the calculation of gross margin, which is the KPI, and has accordingly been disclosed as such. Further, this metric would not have an impact on issue pricing.
17	Cost of Materials Consumed (in ₹ million)	No	This is used in the calculation of gross margin, which is the KPI, and has accordingly been disclosed as such. Further, this metric would not have an impact on issue pricing.
18	B2B Sales (in ₹ million)	Yes	Measures company's revenue from B2B to track the progress in revenues from B2B sales channels
19	Retail Sales (B2C) (in ₹ million)	Yes	Measures company's revenue from B2C to track the progress in revenues from B2C sales channels
20	Cost of imported materials (in ₹ million)	No	This is used in the calculation of gross margin, which is the KPI, and has accordingly been disclosed as such. Further, this metric would not have an impact on issue pricing.
21	Cash flows from operating activities (in ₹ million)	No	Just data, which forms a part of the financial statements. Only disclosed in the DRHP / roadshow as it is an inherent part of the financial statements. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.
22	Property, plant and equipment (in ₹ million)	No	Just data, which forms a part of the balance sheet . Only disclosed in the DRHP / roadshow as it is an inherent part of the balance sheet. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.
23	Capital Work in Progress (in ₹ million)	No	Just data, which forms a part of the balance sheet . Only disclosed in the DRHP / roadshow as it is an inherent part of the balance sheet. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.
24	Intangible Assets (in ₹ million)	No	Just data, which forms a part of the balance sheet . Only disclosed in the DRHP / roadshow as it is an inherent part of the balance sheet. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.
25	Foreign Exchange Revenue (₹ million)	No	This is used in the calculation of net profits, which is the KPI, and has accordingly been disclosed as such. Further, this metric would not have an impact on issue pricing.
26	Trade Receivables (₹ million)	No	Just data, which forms a part of the balance sheet. Only disclosed in the DRHP / roadshow as it is an inherent part of the balance sheet. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.
27	Trade Receivable Turnover Days (number of days)	No	Just data. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.

Sr. No.	Metric	Classified as KPI	Rationale
28	Net working capital (in ₹ million)	No	Just data. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.
29	Total current borrowings (in ₹ million)	No	Just data, which forms a part of the balance sheet. Only disclosed in the DRHP / roadshow as it is an inherent part of the balance sheet. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.
30	Cash and cash equivalents at the end of the year/ period (in ₹ million)	No	Just data, which forms a part of the balance sheet. Only disclosed in the DRHP / roadshow as it is an inherent part of the balance sheet. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.
31	Transportation freight, duty & handling charges (in ₹ million)	No	This is used in the calculation of EBITDA, which is the KPI, and has accordingly been disclosed as such. Further, this metric would not have an impact on issue pricing.
32	Number of employees (Nos)	No	Just data. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.
33	Attrition Rate of employees(%)	No	Just data. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.
34	Warranty Expense (in ₹ million)	No	This is used in the calculation of EBITDA, which is the KPI, and has accordingly been disclosed as such. Further, this metric would not have an impact on issue pricing.
35	Provisions for Warranty (in ₹ million)	No	This is used in the calculation of EBITDA, which is the KPI, and has accordingly been disclosed as such. Further, this metric would not have an impact on issue pricing.
36	Inventories (₹ million)	No	Just data, which forms a part of the balance sheet. Only disclosed in the DRHP / roadshow as it is an inherent part of the balance sheet. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.
37	Inventory Turnover Ratio (number of times)	No	Just data. Not a metric that helps gauge our business performance / progress. Further, this metric would not have an impact on issue pricing.
38	Export sales (in ₹ million)	No	This is used in calculation of Total Revenue and Export revenue as a % of Total Revenue, which are both KPIs and have accordingly been disclosed as such. Further, this metric would not have an impact on issue pricing.
39	Export Revenue as % of	Yes	Export Revenue from Operations provides information regarding the growth of our exports business for the respective period

Annexure B

Information other than KPIs, which are part of DRHP

Particulars	For six months ended September 30, 2024	For Fiscal ended March 31,		
		2024	2023	2022
Revenue Growth (%)	NA	35.07%		
Total Purchases (in ₹ million)	6,161.21	7,124.08	5,086.66	4,792.51
Purchases from suppliers in India (in ₹million)	4,367.26	5,337.66	4,236.71	4,186.77
Purchases from suppliers outside India (in ₹ million)	1,793.95	1,786.42	849.94	605.74
Cost of Materials Consumed (in ₹million)	5,371.78	6,975.10	4,998.21	4,257.58
Cost of imported materials (in ₹ million)	1,793.95	1,786.42	849.94	605.74
Cash flows from operating activities (in ₹ million)	762.04	854.59	778.81	(584.64)
Property, plant and equipment (in ₹ million)	2,320.90	2,238.24	1,669.51	383.70
Capital Work in Progress (in ₹ million)	4.94	0.00	79.73	0.00
Intangible Assets (in ₹ million)	28.04	18.44	5.52	0.77
Foreign Exchange Revenue (₹ million)	164.68	387.07	329.69	140.66
Trade Receivables (₹ million)	573.31	646.80	285.36	394.74
Trade Receivable Turnover Days (number of days)	15.43	18.40	18.69	30.42
Net working capital (in ₹ million)	1,188.48	419.52	240.40	763.90
Total current borrowings (in ₹ million)	798.46	1,369.73	1,444.35	1,268.84
Cash and cash equivalents at the end of the year/ period (in ₹ million)	42.20	42.16	1.13	0.34
Transportation freight, duty & handling charges (in ₹ million)	104.64	171.23	95.88	116.40
Number of employees (Nos)	1,808	1,620	1,403	1,373
Attrition Rate of employees(%)	15.11	23.75	42.44	44.20
Warranty Expense (in ₹ million)	14.32	9.38	6.50	5.34
Provisions for Warranty (in ₹ million)	29.53	20.07	19.17	17.64

Particulars	For six months ended September 30, 2024	For Fiscal ended March 31,		
Inventories (₹ million)	3,288.42	2,321.47	1,871.96	1,780.72
Inventory Turnover Ratio (number of times)	1.97 times	3.41 times	2.74 times	3.40 times
Export sales (in ₹ million)	164.68	387.07	329.69	140.66