

December 16, 2025

<p>The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai 400 051 Maharashtra, India</p> <p>Scrip Symbol : UTLSOLAR</p>	<p>The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 001 Maharashtra, India</p> <p>Scrip Code: 544613</p>
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Subject: Intimation of Transcript of Earnings Call with respect to Financial Results for the quarter and half-year ended September 30, 2025

Dear Madam/ Sir,

This is in continuation to the Company's intimation dated **December 10, 2025** filed with the stock exchanges pursuant to **Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** regarding the earnings' conference call held on December 10, 2025, to discuss the financial results of the Company for the **quarter and half-year ended September 30, 2025**.

Further to the audio recording already filed with the stock exchanges, we hereby enclose the Transcript of the said Earnings Call.

The Transcript is also available on the website of the Company at:
<https://www.utlsolarfujiyama.com/investor-relations/disclosures-under-30/>

Kindly take the information on record.

Thanking you,

Yours Sincerely,

**For Fujiyama Power Systems Limited
 (Formerly Fujiyama Power Systems Private Limited)**


 Digitally signed
 by MAYURI
 GUPTA
 Date: 2025.12.16
 13:12:05 +05'30'

Name: Mayuri Gupta
Designation: Company Secretary and Compliance Officer
Membership No.: A75210

Place: Delhi

Encl: As above

FUJIYAMA POWER SYSTEMS LIMITED

(Formerly Fujiyama Power Systems Private Limited)
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“Fujiyama Power Systems Limited
Q2 FY26 Earnings Conference Call”
December 10, 2025



MANAGEMENT: **MR. Pawan Kumar Garg – Chairman and Joint Managing Director**
MR. Yogesh Dua – Chief Executive Officer and Joint Managing Director
MR. Sunil Kumar – Non-Executive Director
MR. Prashant Gupta – Chief Financial Officer

MODERATOR: **MR. Anuj Upadhyay – Investec Capital Services India Private Limited**

Moderator:

Ladies and gentlemen, good day and welcome to the Fujiyama Power Systems Limited Q2 FY26 Earnings Conference Call hosted by Investec Capital Services India Private Limited. As a reminder, all participants' lines will remain in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing '*' than '0' on your touch-tone telephone. Please note that this conference is being recorded.

I will now hand the conference over to Mr. Anuj Upadhyay from Investec Capital Services India Private Limited for opening remarks. Thank you and over to you, Anuj.

Anuj Upadhyay:

Yes, thank you, Ryan. So good evening, everyone. On behalf of Investec Capital, I welcome you all to the Q2 and H1 FY26 earnings conference call of Fujiyama Power Systems Limited.

Representing the company, we have Mr. Pawan Kumar Garg, he is Chairman and Joint MD along with Mr. Yogesh Dua, the CEO and Joint MD, Mr. Sunil Kumar, who is a Non-Executive Director and Prashant Gupta, who is the CFO. Without any further delay, I will now hand over the call to Mr. Pawan Garg for his opening remarks, which will be followed by the operational and financial highlight, post which we can open the door for Q&A. Over to you, sir.

Pawan Kumar Garg:

Good evening, everyone. And thank you for joining the first earnings call post-listing. It is a privilege to address all of you today and to share overview of our operating and financial performance for the quarter and a half year ended with 30th September 2025.

Let me begin by expressing gratitude to all stakeholders who supported our IPO journey. The successful listing has strengthened our balance sheet and positioned us to execute our expansion plan with great confidence.

The quarter marked an important milestone for us as we shared our first quarterly results after listing. Before we get into financial performance for this quarter, I want to address an important aspect of our business that sometimes gets overlooked. Unlike pure play solar panel manufacturers or energy developers, Fujiyama is fundamentally a power electronics and energy solutions company.

We don't just sell panels. We provide complete systems for solutions. What differentiates us is that our roof-top solar sales have historically been in off-grid and hybrid solutions. These are backup-driven installations, not primarily subsidy-driven. Our customers invest in solar because it solves their real problem they face, which is unreliable grid. While government initiatives like Prime Minister Surya Ghar Muft Bijli Yojana are encouraging, our growth has never been dependent only on subsidy.

Our Q2 FY26 performance reflects the strength of our integrated business model. Our revenue from operations is INR 5,679 million, reflecting a 72.6% year-on-year increase. PAT margins improved from 9.7% to 11.1% quarter-on-quarter. For H1 FY26, revenue from operations is INR 11,653 million, up 61.5% year-on-year, while EBITDA for the period is INR 2,089 million, with margins of 17.9%.

Our B2C business remains the core driver of scale, contributing over 90% of revenue in H1 FY26. This reflects brand equity that we have built in the market, where word-of-mouth and local reputation drive purchase decisions. Additionally, we are also delighted to welcome Surya Kumar Yadav as our brand ambassador for Fujiyama Solar.

His high energy performance, consistency and strong connection with Indian households reflects the value we stand for. This association is expected to meaningfully enhance brand visibility, strengthen consumer confidence, combined with our extensive distribution network and wide portfolio. This collaboration highlights our commitment to make clean and dependable energy accessible to every Indian household.

On the operations side, expansion of our channel network is also progressing well. We added new distributors, dealers and Shoppe franchisees during the quarter, enabling deeper penetration across existing states and building presence in underserved pockets. The Shoppe model continues to act as an effective last-mile interface for customers looking for guidance on system sizing, installation and financing.

The network is also supported by our field service engineers, whose feedback flows directly into our R&D teams, allowing quick, corrective and preventive improvements. We believe this structure, developed over the years, remains a key differentiator that is difficult to duplicate. Furthermore, our manufacturing extension continues as per the schedule.

The Ratlam facility in Madhya Pradesh, being set up with IPO proceeds, will add 2,000 megawatts each of solar panels, inverters, and batteries by March 2026. More significantly, our 1,000 megawatt solar cell line in Dadri facility is expected to be commissioned within one month. With India targeting 300 gigawatts of installed solar capacity by 2030, the smart environment for reliable and high-performance solar technology remains favorable.

India's push towards rooftop solar adoption and rising household awareness of energy saving are expanding the addressable market. As we move into the second half of the year, we remain focused on scaling our network, enhancing our product suite, and ensuring timely execution of our capacity expansion plans. Our priority continues to be improving customer experience through technology, service, and product reliability.

With our ecosystem now spanning across R&D, manufacturing, distribution, and after-sales support, we are confident of sustaining our growth trajectory while building on trust that Fujiyama Solar and UTL Solar brands enjoy across India. Before I close, I want to thank the entire team. This quarter's performance is the result of their dedication and commitment to serve our customers with integrity.

I also want to thank shareholders for placing their trust in us, and we are committed to build Fujiyama into a business that creates sustained value for all stakeholders. Thank you. I will now hand over to our CFO to walk you through the detailed financial and after which we will be happy to take your questions. Thank you very much.

Prashant Gupta:

Thank you, Pawaji. Good afternoon, everyone. I will walk you through our financial performance for the quarter and half year ended September 30, 2025. Let me begin with the quarterly results. During Q2 FY26, our revenue from operations is INR 5,679 million compared to INR 3,291 million in Q2 last year, representing a growth of 72.6%.

EBITDA for the quarter is INR 1,030 million with a margin of 18.1%, improving from 15.2% in the same period last year. Profit after tax is INR 629 million and the PAT margin is 11.1% compared to 9.7% in Q2 FY25. A key driver for this margin improvement was the movement in material margin, which improved by 0.7% over last year. This came mainly from higher in-house manufacturing across solar panels and batteries.

Over the past year, we expanded solar panel manufacturing capacities from 439 megawatt to 1,039 megawatt and battery capacity from 1,363 megawatt hours to 1,863 megawatt hours. This backward integration has started reflecting meaningfully in our cost structure. In addition to this, the scale benefit from higher volume supported better production efficiency.

Employee benefit expenses and operating costs also showed improvement when seen as a percentage of revenue. Employee costs reduced by 0.6% and other operating expenses reduced by 0.1% driven by labour optimisation and better control over operating overhead. Together, these factors contributed to the expansion in the overall profitability for the quarter.

Let me now turn to the sequential comparison. On a quarter-on-quarter basis, revenue declined 4.9%. PAT reduced from 676 million in Q1 FY26 to INR 629 million in Q2 FY26 and the PAT margin moved from 11.3% to 11.1%. The decline in revenue was largely due to the impact of the GST rate cut on solar equipment from 12% to 5%.

The announcement and implementation of this change created a temporary pause in the market as customers postponed purchases to benefit from the lower tax rate. This resulted in nearly a month of muted activity. Additionally, employee benefit expenses increased by INR 25 million, reflecting a rise in head count in preparation for the new capacities that will come on stream over the next few quarters. This increase was partly offset by savings in other expenses.

Now moving to the half-year numbers, for H1 FY26, revenue from operations was INR 11,653 million, higher by 61.5% compared to INR 7,217 million in H1 FY25. EBITDA is INR 2,089 million with a margin of 17.9% and PAT for the period is INR 1,305 million, representing a margin of 11.2% compared to 10.4% in the same period last year. The improvement in profitability for the half-year is consistent with the trend seen in the quarter.

Material margin improved by 1% over last year, supported by the expansion in in-house panel and battery manufacturing capacities and the benefit of scale. Employee benefit expenses reduced by 0.3% as a percentage of revenue due to labor efficiencies. Let me now briefly touch upon the balance sheet.

As of September 30, 2025, total assets stood at INR 15,900 million compared to INR 10,140 million at the end of March 2025. Total equity increased from INR 3,968 million in March 2025 to INR 5,276 million in September 2025. Total debt is INR 6,740 million in September 2025 compared to INR 3,462 million in March 2025.

The rise in borrowing reflects the pre-IPO funding structure which has since been addressed. Post-IPO, we have utilized INR 2,750 million for debt repayment. Adjusting for this, for pro forma, net debt stands at INR 3,903 million and the pro forma net debt-to-equity ratio is 0.35 compared to 1.26 as of September. On working capital, net working capital days for H1 FY26 stood at 70 days, broadly stable compared to 71 days in FY25.

Receivable days compared to improved to 14 days while inventory days moved to 108 days and payable days is 52 days. As we move into the second half of the year, we expect the benefits of our expanded capacity, improved infrastructure and stronger balance sheet to reflect in our performance. Our focus remains on operational efficiency, prudent capital deployment and maintaining healthy margins as we scale. That concludes my remarks and we can now open the floor for questions and answers. Thank you everyone.

Moderator: Thank you. Ladies and gentlemen, we will now begin the question and answer session. We take the first question from the line of Srishti Agarwal from Steptrade Capital. Please go ahead.

Darshit: So, sir, my first question is on the solar cell capacity. So we will request you to throw some light on the status of the solar cell capacity as well as the future expansion that you mentioned at the time of the IPO. So, that is about my first question. And second question I will ask on the industry. So, we will request you to throw some light on this expansion.

Pawan Kumar Garg: Okay. So, our solar cell is a 1 gigawatt plant which we are under installation. So, within 1 month, the operation will be complete. So, all the machines have started powering up and the entire system which has utilities and machines has started powering up and now it is under testing and the trial run has started. So, within 1 month we expect that it will be operational, the 1 gigawatt plant in Dadri.

Darshit: Okay, Sir, can we expect cash flow and revenue from this solar cell for Q4?

Pawan Kumar Garg: In Q4, definitely it will give benefit, but we will request you not to expect in Q4. But whatever will happen will be a bonus.

Darshit: Understood, And sir, my second question is on the industry. So, sir, in last week there was one news with regard to the oversupply with regard to the solar photovoltaic module. So please throw some light on this?

Pawan Kumar Garg: Okay sir. So, there is a lot of news in the industry that oversupply of modules is coming. But the major thing to look at is that our module manufacturing is backward integration only because we are in rooftop solar and we have three components of rooftop solar, solar inverter, solar battery and solar panel.

So, the major strength of the company is power electronics. So, we are making solar inverters and we have more than 500 SKU across solar panel, solar battery and solar inverter. So, the major thing is that the customer needs all three items from one place. If we are giving solar inverter, so the customer wants the battery and panel of the same company for which we take solar inverter.

So, if we take it from outside then we have a problem of consistent supply because of which we had to go for backward integration. So, the panel expansions that we are doing or the existing capacities are totally for in-house consumption, for captive use and for our channel network. So, the issue of oversupply, we don't have to go to B2B to sell our more than 90% business is for B2C, and all our capacities are for self-consumption.

Darshit: Okay. And sir, in your module, you are expanding from 1.3 to 2 gigawatt, right? So, will it be as it is or will it impact?

Pawan Kumar Garg: Okay, sir. If you look at the industry, all the industrial reports that you will see in rooftop solar, year-on-year, 40% to 43% of the CAGR, which is visible everywhere in the entire industry report. And the government's push and all the requirements that are coming. Now, the government subsidy scheme that is coming for on-grid, the company is not able to perform very well in that area because we did not have a DCR cell.

Despite that, the major revenue growth of the company has come due to awareness. As soon as the Prime Minister Surya Ghar Muft Bijli Yojana came, due to its awareness, our market share of off-grid also increased a lot. I mean, market share did not increase, the market increased. Basically, that's because of awareness. That the customers became aware that we should go to rooftop solar and it has benefits.

So, when that inquiry came, we were able to convert it and bring growth in it. So, if we look at it, then according to the growth expected in rooftop solar, because it does not take capacity overnight, it takes a little time. So, these expansions are the industry's CAGR. So, if we want our market share to be maintained, then we will have to enhance the capacity.

Darshit: Okay sir. Thank you. Understood.

Moderator: Thank you. We take the next question from the line of Rajesh from ET. Please go ahead.

Rajesh: Sir, I wanted to know whether your target audience is from Tier 1 city or Tier 2 or Tier 3 city?

Pawan Kumar Garg: Sir, we have Tier 2, Tier 3 and rural villages as our target audience. In the coming time, we will try to make our presence in Tier 1 as well.

Rajesh: So, who are the people who come to you to set up your panel? I mean, what do they need? Electricity is already present there, isn't it?

Pawan Kumar Garg: Okay, sir. See, sir, we were in the business of inverters earlier. And from 2008, we started adding solar features in all our inverters. We started adding solar charge controllers and started educating people that the coming time is solar. So, from there, where there is power cut in the village or in Tier 2, Tier 3 and still there in many places.

So, there, people want more backup and the battery is costly and there is a requirement for repeated replacement. So, we ran a 50%-50% concept that take 50% battery and 50% solar panel. So, what is it that the replacement of the battery, the expense in it will be 50%. So, the cost of the project remains the same.

After 2-3 years, when the need to replace the battery arises, the expense in it becomes half. And by having a solar panel, the electricity bill also reduces. And along with that, what is it that the backup of the customer remains the same.

So, the budget remained the same, the backup remained the same, and the electricity bill was also saved. And later, the expense of battery replacement was also saved. So, in this way, we have educated people in this market.

We have started the whole market from zero, that is, we have developed it completely, sir. So, it is our customer base and which has been associated with us for years. We have a network of our big dealer-distributor and channel partners. So, it supports the customer in every way locally. So, this is how our network is made.

Rajesh: Okay. So, does he also need yearly maintenance after setting up once?

Pawan Kumar Garg: Okay, sir. So, we give a little scope of yearly maintenance to our dealer-distributor, sir. We say that you earn from yearly maintenance. Because see, until they earn, they will not be associated with us. So, the company does not focus much on its revenue page that we earn on yearly maintenance.

We definitely support them in every way, dealer-distributor, that you take your AMC or sit for free. Even we guide them, sir, you give them service for free. And take orders from the reference. Because see, sir, when we worked from the beginning, when we ourselves went to give service.

So, we saw that when we give service to the customer, we get repeated orders. So, we tell our dealer-distributor that you pay less attention to earning on the service. Take more repeated orders. They get that thing and the customer also appreciates it, sir.

Rajesh: So, the execution of this, do you only supply the material to the dealer-distributor or do you also do the execution of setting up?

Pawan Kumar Garg: In service or in installation, sir?

Rajesh: Means, you got an order from somewhere, for example, the society said that we have to install it on our building. So, will you supply the material to the dealer-distributor and do the rest of the work of installation or do you do all the work?

Pawan Kumar Garg: Sir, the dealer-distributor only does the installation in it. And they also keep the material in their stock. Most of the items, the quick-running items, they keep everything in their stock. And the less-running items, they order them against the order. And our delivery is fast. Our effort is that we keep all the SKUs in our stock.

And as soon as the order comes, we immediately have the complete target of dispatching it within 24 hours. That's why if you see, in our books, we will get a little bit of inventory cycle, but we will get a lot of retrievable SKUs. Because they don't need to carry a lot of inventory in it, the dealer-distributor. Yes, there is a need to do something, but not too much. Because our commitment is that we will give you fast delivery.

Rajesh: So that means the installation is done by the dealer distributor and not by you, right?

Pawan Kumar Garg: Yes, sir. The installation is done by the dealer distributor. If there is a need for help, we have more than 600 service engineers in our field. They help them. Initially, when they need training, they help them. If there is a problem, they help them. As for the installation, we keep the earnings in the scope of the dealer distributor. So that they can earn some money and they can continue to trust us.

Rajesh: Do you have an effective plan to expand to Tier 1 or will you continue to Tier 2 and Tier 3?

Pawan Kumar Garg: In Tier 1, we have more on-grid. In rural areas, we have more off-grid. In towns, we have more hybrid. In Tier 1, we have more on-grid. We did not have a DCR cell because of which we were not able to tap the subsidy market. But now, when we will have the capacity of DCR cell, we will be able to take shares in that market too. So, we hope to get shares in Tier 1 too.

Rajesh: This was my last question. Suppose a farmer wants to implement a panel in his farm so that he can create energy and sell that energy. Is it possible?

Pawan Kumar Garg: Sir, this is a government scheme, in which KUSUM A and KUSUM B are there. But till now, our panel capacity was not much, so we were not able to focus on it much. Because, in front of invertor and battery, our panel capacity was less. Now, we are able to come at par. In which, our panel capacity is equal to 1.5 gigawatt of invertor, battery and panel. But still, whatever panel we are able to make, all of it goes to the roof-top.

For KUSUM scheme, we do not have extra money. So, in the further expansion, if we will have extra capacity of solar panel, then we will definitely work in that market too. I mean, our dealer-distributors will work in that market. And we feel that we should get some business in that market too.

Rajesh: We were studying the data of IndiaMart in the top 3 businesses that are happening in IndiaMart. We saw first mobile accessories, second solar related and the third thing, we saw was the spare parts of E-Rickshaw. Do you have any IndiaMart related trade? Do you trade from that channel as well?

Yogesh Dua: IndiaMart is just for sharing contacts, but we don't have any special business from there because our major business is channel driven we have business with distributors, dealers and shoppers. Online trading is happening from Amazon and from our website. We don't do that much

Rajesh: There are a lot of innovations happening in this. There will be more competitors. I have seen your interviews and I understood how you will tackle this. I wanted to understand, what are you doing for innovations, so that you can be two, three steps ahead of new businesses because it is a technology business?

Pawan Kumar Garg:

Sir, if you look at the innovations, we believe that we have the highest SKU. Depending on application, we have different solutions across the industry. Basically, we have so many products in roof-top solar power conditioning. That is enough to say, sir. And the rest of the innovation is that we are adopting AI in our sales network. We have been working on AI for 3 years.

And through AI, we are able to improve our conversion ratio. And we expect that in the coming time, our operational margin will improve due to AI. And the approach from the customer will be fast.

Rajesh:

Your customers are connected to you through a good network. Is it because of cost or quality? What is their main concern to connect to you?

Pawan Kumar Garg:

I would say it is because of service. When people are happy with services, they tell other people. We have been in the market for the past 30 years. I think we have 1 million customers. If we count from the number of inverters, it can be more than a panel, 4 panels can go with 1 inverter, 2 batteries can go with 1 inverter.

We have the same number of customers because they trust us, they get service on time, and that is the biggest thing. The price is definitely competitive, we don't look at the price alone, we ensure that we look at value for money for the customer. If we compare 3 KVA, the number itself is not important, what matters are the features in the 3 KVA and the useful benefits they provide.

Village customers have different requirements, towns have different requirements, and cities have different requirements. According to their application, we provide the appropriate products. That is important, and that is why people are connecting with us.

Rajesh:

Do you think that in your competition Tata Power will be effective in B2C going ahead?

Pawan Kumar Garg:

There are a lot of opportunities, everyone is welcome. There are a lot of opportunities in the market. If we can provide a sustainable service to our customers, they will be able to work, that is the main thing. If Tata or any other company comes, they will be able to work there are a lot of opportunities.

Rajesh:

Thank you, sir my questions are over. We will ask more in the next concall, whatever we understand. Thank you very much sir

Moderator:

Thank you. We take the next question from the line of Srishti Agarwal from Steptrade Capital. Please go ahead.

Srishti Agarwal:

Hello sir, your CFO mentioned that the dip in revenue this quarter was due to the GST cut from 12% to 5%, so the customers paused their buying. So it just a deferral of your sales, and are you hoping to recover that sale in the month of December, or will it impact your overall financial revenue?

Pawan Kumar Garg:

Actually, the sales work is looked after by Yogesh ji. They have to say that whichever order comes has to be dispatched within 24 hours, there is pressure on that. They have to say that if I lose my sale today, then it is lost completely. There is so much pressure, 500 SKU, we have to carry so much inventory. I always have to debate with them even if we don't get 1-2 SKUs it doesn't matter but they say that the if the sale is lost, it will not come again.

So definitely some of it will be recovered but not as much as the loss that has happened in that period. What happens is that the sale that is lost, is lost. During the COVID period whatever sale happened, it takes time to recover. It's not like the sale will come next month because the customer purchases more in that period, everyone has their own budget, our customers are middle class, lower middle class basically.

Srishti Agarwal:

And sir you have historically grown to 45%, so what is your future revenue guidance? Will you grow at the same rate? What is your future revenue bottom line guidance?

Pawan Kumar Garg:

Historically, if we see, we have grown year on year and we will try better and better every time.

Srishti Agarwal:

Okay, thank you sir.

Moderator:

Thank you. We take the next question from the line of Arun Subrahmanyam who is an individual investor. Please go ahead.

Arun Subrahmanyam:

Hi we are calling from Ampersand Capital. Two, three questions, one is that your ROCE, ROE continues to be fairly healthy 25% but it used to be much higher at about 40% earlier. And is this entire decline because of your inventory increasing?

Prashant Gupta:

Sir, I believe you are asking about the ROCE and ROE, right?

Arun Subrahmanyam:

Yes right

Prashant Gupta:

Okay. So, sir the number that you are seeing in the presentation, belongs to the half year, first thing. And the second thing, the growth that we achieved in the ROCE and ROE in the past, is due to the higher asset turnover. So, if you see the number which you are referring, it belongs to half year only.

Arun Subrahmanyam:

I understand that, but this decline has coincided with the fact that your inventory has gone up quite a lot. So, will the inventory remain at such a high level or it will go down in the future once you start building all these cell factories and all your backward integration gets completed?

Prashant Gupta:

So, sir the increase in the inventory in this quarter is due to as Pawan sir explained about the sale deferrals that was there. So, we ordered few inventories in the past, as we need to maintain our inventory level but due to these sales deferrals our inventory has slightly gone up and our inventory days has gone to 108 days. But in the coming quarters we believe that the number should, this inventory cycle number should get stabilized.

Arun Subrahmanyam:

Okay stabilized at what level?

Prashant Gupta: At least sir, it will be, historically, it was around to 90 to 98 days, so we believe it will be somewhere around that.

Arun Subrahmanyam: Okay and it will not go down even though you will have your own cell factory unlike in the past.

Pawan Kumar Garg: Sir, in this quarter we will need to procure raw materials for the cells, which will add to our overall raw material inventory. At the same time, we will also need to keep cells as well. So, during the transition phase of backward integration, we typically see a temporary increase in the inventory cycle. It takes some time for it to stabilize and eventually come down.

This has been our consistent experience in all previous backward integration projects. Initially, both raw material stock and finished goods stock remain high, but over time, as the process stabilizes, finished goods inventory reduces while raw material inventory adjusts. Ultimately, the overall inventory cycle comes down.

We experienced this same pattern during the backward integration of batteries, and also when we integrated solar panel manufacturing. In both cases, inventory increased temporarily and then normalized over time.

Arun Subrahmanyam: Ok and sir, how much can your margin improve because of all this backward integration that you are doing?

Pawan Kumar Garg: See sir, you people understand more than us. In this basically, in these margins are good as long as they are good, they will improve.

Arun Subrahmanyam: And sir if you can just, last question from my side. In the first half you have grown very well and even though there was shortage of cell as you mentioned, so does this mean that that going forward your growth rate may in fact improve because of cell availability?

Pawan Kumar Garg: In absolute terms, it will improve as it is, but in the market, there are many situations, many parameters, many situations. We believe it should improve, but with the industry, with the whole industry. If we see overall, we have many product mixes in which various factors, if they affect, then we comparatively hope to be consistent.

Because if you see, there are batteries, there are inverters, in power electronics we have strength in R&D, so if new applications are coming in this, we are working on that. So, we have good hopes.

Arun Subrahmanyam: Got it. So only one thing, the cell factory that you are starting, that you are stabilizing, can you give some clarity on that?

Pawan Kumar Garg: Yes, sir. So, all the machines have started powering up. All the utilities have started powering up. Within one month, we assume that it should be fully functional.

Arun Subrahmanyam: Thank you so much, sir.

Moderator: Thank you. We take the next question from the line of Anuj Upadhyay from Investec Capital Services India Private Limited. Please go ahead.

Anuj Upadhyay: Hi, sir. Sir, can you give your capex guidance for FY26 and FY27?

Pawan Kumar Garg: Capex. So, sir, now our IPO proceeds in Ratlam, we have planned 2 gigawatt like in panel, battery, and inverter in all three segments. So, at the end of this financial year, our total capacity will double, approximately double. So, in this, IPO proceeds' major money is going.

Anuj Upadhyay: Right, but any numbers sir like in FY26 total capex how much will be there and if in FY27?

Pawan Kumar Garg: Three items total INR 272 crores in this sir, in Ratlam, capex.

Anuj Upadhyay: And cell how much will be there, sir? I guess this is for the three things you mentioned inverter battery and panel, cell capex.

Pawan Kumar Garg: In Dadri our budget was approximately around INR 350 to 400 crores and we assume we will, like better project execution and with better numbers we are trying to close it. We are trying to close it better now. It is on closing and within one month it will be in production.

Anuj Upadhyay: And this battery in Dadri, this by when it will be commissioned, sir? And in the presentation, you have mentioned it.

Pawan Kumar Garg: Our target is March 2026, to have this commissioned.

Anuj Upadhyay: It will be commissioned and when can we expect full stabilization of plant and battery. I am asking this because Prashant ji, said our ROCE is a little down because of the capex which we are incurring. Now all these capacities, inverters, batteries, panel, even the cells, will take some time for stabilization. So, by when can we expect normalization in ROCE and ROE and to what level?

Pawan Kumar Garg: Sir, like if I see cell, our technological partners that are there, so I can speak only on the basis of their confidence. They are confident that by March, April 2026, we can get it to full capacity. In case there is a delay by one or two months, we can get it to full capacity by starting of next financial year.

If we look at Ratlam, the experience was quite good. We have commissioned our lines in short intervals, solar panel, inverter and battery, we have good staff, we have a good team. It doesn't take that long. Definitely, when the capacity is doubling, I would not say that we should expect that the sale will double overnight.

Yes, the sale will take some time to increase. And when we have the capacity, then the sale will also come gradually. Next year, we assume that we will bring it to the right level.

Anuj Upadhyay: Okay, so all your batteries should also be stabilized by Q1 FY27, the one in Dadri. Right, sir?

Pawan Kumar Garg: Yes, sir. So, it does not take a lot of time to stabilize the batteries and inverters. Since we have been doing this work for the last 30 years, we do not face any challenges.

Anuj Upadhyay: Okay, a few bookkeeping questions. Can you provide revenue bifurcation? How much was the panel sale, inverter and battery, if it is readily available? And in terms of megawatt execution, can you tell us how much Q1 and Q2 FY26, and even for the H1 FY26, in megawatt terms how much was executed separately?

Prashant Gupta: So, Anuj, I will answer this question. So, sir, if we talk about the revenue for the first half, you want in revenue?

Anuj Upadhyay: No, no, both, sir. One is revenue bifurcation, in terms of quantum amount and then in overall megawatt execution.

Prashant Gupta: Okay, so when we talk in terms of revenue for first half, so out of INR 11,652 million, INR 5,290 million belongs to panel, which comes to nearly 45%. Battery comes to INR 2,374 million. And all the electronics comes nearly around, it will be INR 3,300 million, which comes to your 28%.

And rest is other service components and other things, which is INR 681 million, which close to 6%. In terms of megawatt, we sold panels of 302 megawatt and battery 481 megawatt and electronics close to 640 megawatts.

Pawan Kumar Garg: If we see in terms of megawatt, then panel is less than electronics and battery. If we see in terms of revenue, then panel will be more because per megawatt, the cost of panel is a little more and the cost of electronics and battery is less.

Anuj Upadhyay: Got it, and sir, lastly on the DCR availability, is it better now, because what we are hearing from other people, because of some kind of a slowdown, DCR availability has improved. So just a thought.

Pawan Kumar Garg: Yes, absolutely sir. If people were not giving till last month, then it is getting better now. It has improved a little. It is getting better now at least. The cost has not come down that much, but it is getting better at least. That is also very good because earlier it was not getting better.

Anuj Upadhyay: Right. So now that the availability has been eased, so the Prime Minister Surya Ghar Muft Bijli Yojana, we have been able to execute more projects. Is it a fair understanding?

Pawan Kumar Garg: This month we have been able to sell. If you see the previous month and the month prior, we weren't able to sell. This month we have been able to sell.

Anuj Upadhyay: Fair point, sir. That is from my end, sir.

Moderator: Thank you. We take the next question from the line of Sumant Kumar from Motilal Oswal Financial Services Limited. Please go ahead.

Sumant Kumar: Hi Pawan ji. Can you talk on geographical expansion and also channel expansion in the last two, three months and going forward?

Yogesh Dua: Sir, the number of distributors has improved. The number of dealers has also improved. Shoppes has also improved. We have done well in Kerala and Tamil Nadu than before. And there are also improvements in Odisha and West Bengal. We are moving forward in our defined path.

Pawan Kumar Garg: Sir, we added 70 distributors in the last quarter. We added 350 dealers and added 20 Shoppes in the last quarter.

Sumant Kumar: What is the total now?

Pawan Kumar Garg: Sir, the total is 7,500 plus channel partners.

Sumant Kumar: Okay. And service engineers?

Pawan Kumar Garg: Sir, there are 600 plus service engineers in our network.

Sumant Kumar: So, how is the mix? North-East mix? And where are we focusing more? Which region are we now focusing? Where do we want to place our focus on?

Yogesh Dua: We are focusing on North-East. Andhra Pradesh, Telangana, Karnataka. These are the three states. Then Odisha, West Bengal and Jharkhand, these states.

Pawan Kumar Garg: These are the states we are focusing on. Sir, this is a special focus area which we are expanding.

Sumant Kumar: How about Maharashtra?

Yogesh Dua: Maharashtra is already good, sir.

Pawan Kumar Garg: Sir, we have to make it even better. These six states that we spoke about. We have to bring them to a level. The special focus area. We have to bring it to a good level. We will say that there should be at least one distributor in every district. And one service engineer. We have to bring them to such a level. We already have a network of distributors and engineers in Maharashtra. Okay.

Sumant Kumar: So, maybe in the established market, you are number 1, number 2. So, can you talk on the market you are trying? Who is the market leader? Local players are market leaders. Maybe tier 2, tier 3 companies are doing well. Or established players are market leaders. What is our target to become number 1, 2, 3?

Pawan Kumar Garg: Sir, our market is completely different. We are converting the normal inverter market into solar. We are developing the market. We are not taking anyone's share.

Sumant Kumar: So, who is the market leader in that area? Where your presence is negligible?

Pawan Kumar Garg:

Sir, if we look at the non-solar market, there are many people, like Okaya, Microtek, Luminous, Exide, Genus. There are many people who are doing the non-solar inverter. So, we are basically converting those customers into solar, who are using the non-solar inverter and battery. So, when they go to a new area, our aim is that they come to the solar inverter instead of the normal inverter.

So, we will give you solar solutions in the same budget. Your budget will be the same. Your backup will be the same. Your electricity bill will be less. And the cost of battery replacement will be less. So, we go to the new area with this education. First, we educate the dealer distributor, then we educate the customers.

Sumant Kumar:

Okay. Thank you so much.

Moderator:

Thank you. Ladies and gentlemen, as there are no further questions, I will now hand the conference over to the management for their closing comments.

Pawan Kumar Garg:

First of all, I would like to thank everyone who joined us and asked questions. All the questions were very insightful. It gives us a lot of learning. And when you get an insight, it opens up many new paths. Thank you once again for joining us today and for your continued interest in Fujiyama. We appreciate the confidence you place in our company.

If you have any additional questions, please feel free to reach out to our Investor Relations advisor, Churchgate Partners, and we will be glad to assist you. Thank you very much for your time and support. Thank you very much.

Moderator:

Thank you. On behalf of Investec Capital Services India Private Limited, that concludes this conference call. Thank you for joining us. And you may now disconnect your lines.

Notes:

1. This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.

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